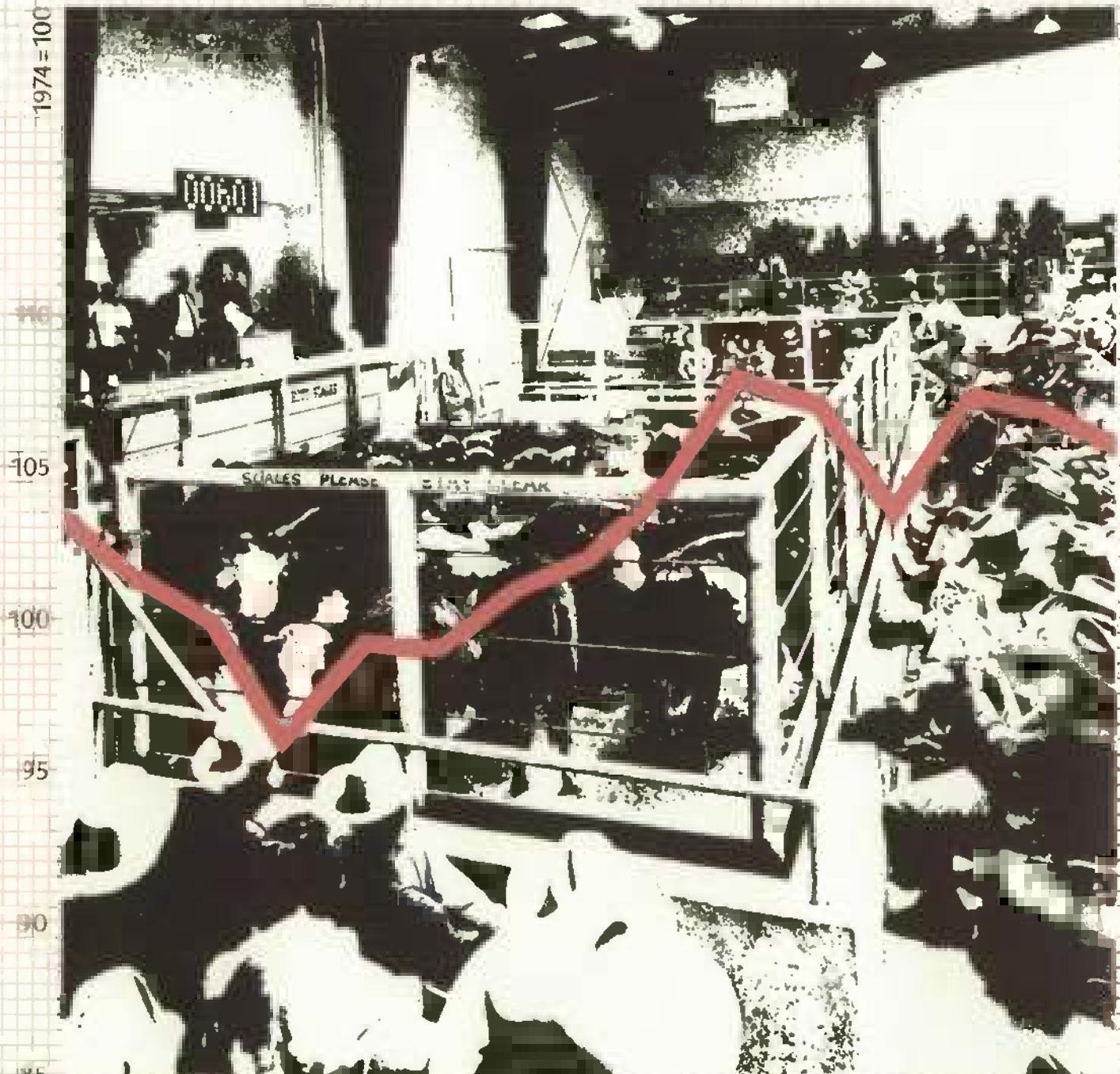


AGRICULTURAL OUTLOOK

UNITED STATES DEPARTMENT OF AGRICULTURE • ECONOMIC RESEARCH SERVICE • AO 23

1974 = 100



LIVESTOCK AND PRODUCT OUTPUT (SECOND QUARTER 1974-FOURTH QUARTER 1977)

JULY 1977

Agricultural Outlook

July 1977/AO-23

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Contents of this report have been approved by the World Food and Agricultural Outlook and Situation Board and the summary was released June 27, 1977. Materials may be reprinted without permission. Agricultural Outlook is published monthly, except January. Annual subscription: \$19.50 domestic, \$24.40 foreign. A 25-percent discount is now being offered on orders of 100 copies or more to one address. Order from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. Make check payable to Superintendent of Documents.

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Commodity Highlights

Cattle: Placements on feed up sharply in April-May...feedlot marketings to rise from year earlier in second half, perhaps 5 to 6 percent higher in last quarter...but nonfed slaughter likely to drop sharply... total beef supplies may be down 4 to 6 percent in July-December from big year-earlier volume, first major year-to-year drop in several years... 1977 commercial beef supplies could total 3 to 5 percent below 1976's 25.7 billion pounds, still second largest on record...Choice steer prices eased back after late April-early May advance...Omaha prices quoted at around \$40 per 100 pounds in late June versus \$43 late April peak and \$40 a year ago... futures prices have also eased back...second half cattle prices to strengthen...Choice steers at Omaha could average \$5 to \$6 above July-December 1976's \$38 per 100 pounds.

Hogs: Producers plan to have 5 percent more sows farrow in June-November...moderating gains in pork output and weaker corn prices have kept hog operations in the black most of this year...the breeding herd is also being expanded... third quarter pork production may continue above year ago...but fourth quarter output will fall a little short of big year-earlier volume...market prices have strengthened since April, ran about \$45 per 100 pounds (barrows and gilts, seven markets) by late June...look for seasonal advances in retail prices as retailers pass on higher farm prices...market prices may decline seasonally later this year but may still average \$5 to \$7 above year-earlier levels in fourth quarter.

Broilers: Output in April-June up 4 to 5 percent from year ago...producers continue to set record number of eggs...production in second half likely to continue larger if soy meal prices don't recover most of the recent decline...broiler prices quite strong despite larger output... second half nine-city wholesale price could average around 4 cents

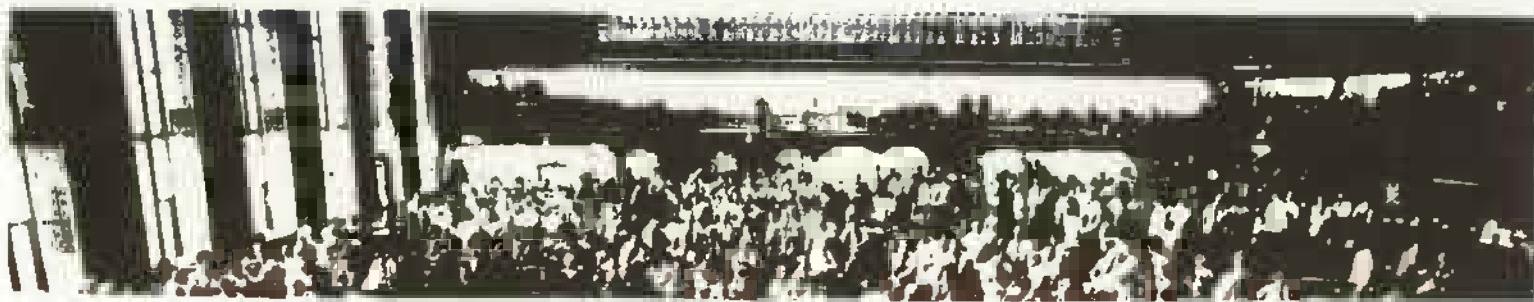
above year-ago's 38.5 cents a pound...increased consumer buying power and smaller supplies of competing meats contribute.

Eggs: Growers now expanding output after the winter lag caused by cold weather...layer numbers expected to pick up as more pullets enter flocks...second half output may be up 1 to 2 percent from year ago...egg prices weakened after Easter...although rising seasonally by late June, egg prices were about the same as a year ago...further seasonal strength likely in July-December, but large supplies will keep prices under a year earlier.

Dairy: Milk output remains heavy, although rates of gain slow...May production largest for month since 1967, up less than 2 percent from May 1976...second half output may remain above year ago...farm milk prices sluggish...prices hold near \$9.40 per 100 pounds since March...manufacturing prices averaging below new support level, likely will move closer as supplies ease seasonally...if so, July-December prices expected to average well above year-earlier's \$9.80 level...dairy sales show little change...USDA price support removals up sharply, January-May purchases largest for period since 1971...removals will remain large in coming months.

Wheat: Harvest in full swing but lagging in some areas...winter wheat as of June 1 forecast at 1,526 million bushels, 3 percent above previous month, but 3 percent below last year...spring wheat acreage down...odds favor around 2 billion bushel total 1977 wheat crop vs. 2,147 last year...chances 2 out of 3 final outturn will fall in 1,900-2,150 million-bushel-range depending on weather...wheat prices have declined and were around \$2.35 per bushel at Kansas City in late June vs. \$3.75 year-ago...wheat feeding picks up as nearly

(Continued on page 9)



Commodity Markets Weaken in Anticipation of Big World Crops

Markets for agricultural commodities currently are reflecting early season prospects for large crops again this year. Market prices—both cash and futures—of most farm products declined during June. Overall prices received by farmers were down about 5 percent from May to June.

Prices of wheat and corn, both in big supply, continued to ease off to their lowest levels for this time of year since 1971. Corn prices at Chicago were down around a fourth and wheat prices at Kansas City were off over a third from a year earlier. Even prices of cotton and soybeans, both in tight supply all year, have dropped in recent weeks, reflecting Brazilian competition, larger stocks than expected earlier, as well as larger anticipated crops. Futures prices for new crop contracts have also declined for major grains and soybeans. By late June, December futures for wheat were at around \$2.60 a bushel, corn was at about \$2.30, and soybeans were quoted at \$6.60.

U.S. farmers planted most major field crops at a record pace this spring. Development of most crops, so far, is ahead of most recent years. In some areas, corn has reached about double average height for this time of year. However, the outlook for food and agriculture during the rest of 1977 and on into 1978 will continue to hinge heavily on the impact of

weather on 1977 crop output.

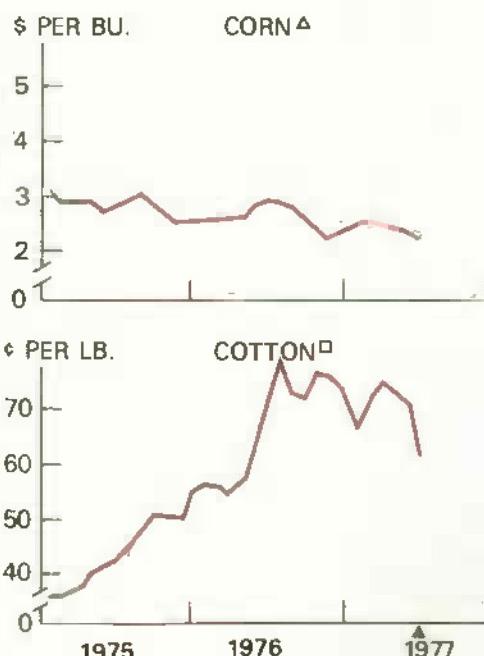
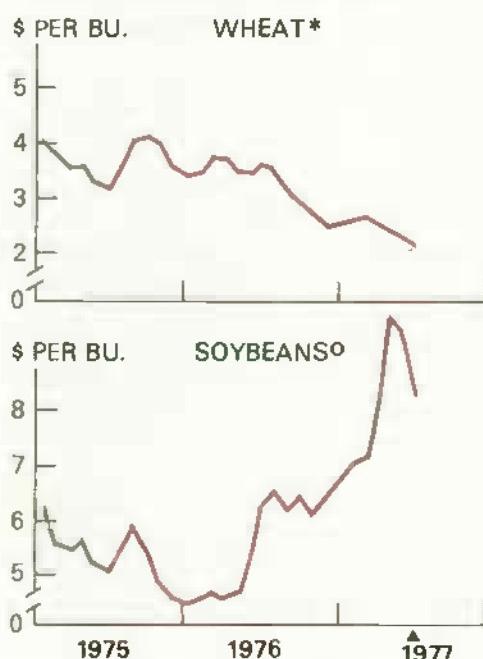
Although top soil moisture conditions have been generally adequate so far, subsoil moisture levels are short in many areas. As a result, grains and soybeans will be unusually dependent on rainfall during the growing season. This could also result in rather spotty conditions, with some farmers having good crops and their neighbors having poor crops depending on which fields received rain at the right time during the season.

In addition, NOAA's short-term weather forecast indicates rather dry weather through the important Midwest grain areas this summer.

Consequently, prices will remain sensitive and fluctuate with changing conditions till the crop picture becomes clearer in coming months. The first estimate of output of major grains for 1977 will be released by USDA on July 12.

With favorable weather, another year of big U.S. crops would be expected, likely matching the record levels of the past 2 years. With large grain crops around the world, export demand for U.S. grains would be weaker. If the combination of larger supplies, reduced exports, and building stocks is realized, average farm prices for grains and soybeans

CROP PRICES WEAKEN



* NO. 1 HARD WINTER, KANSAS CITY. △ NO. 2 YELLOW, CHICAGO. ○ NO. 1 YELLOW, CHICAGO.
□ SPOT MARKET, 1-1/16" SLM. ▲ AVERAGE THROUGH JUNE 24.

would fall. However, the lower prices would encourage larger domestic use by the livestock industries.

On the other hand, if weather turns unfavorable, both here and overseas, smaller U.S. crops would be met by strong foreign demand. Grain stocks would be drawn down and prices of most grains and soybeans would average much higher than in 1976/77. However, with big supplies of wheat, prices still may average a little lower.

The big wheat carryover and the large winter crop (around three-fourths of the U.S. total) virtually assure another big supply of wheat this year. As of June 1, the winter wheat crop was estimated at 1,526 million bushels, up 3 percent from the previous month, but still 3 percent below 1976 levels.

Wheat and Corn Stocks Building

Stocks of wheat and feed grains on June 1 totaled 110 million tons, up one-third from a year ago and the largest for that date since 1972.

Wheat stocks closed out the 1976/77 marketing year at 1,109 million bushels, largest since 1963. Another big crop this year would point to a further buildup in 1977/78. The all-time high carryover was 1.5 billion bushels in 1960/61.

With wheat prices sliding to near the \$2.25 loan rate, loan activity was heavy in 1976/77. Farmers placed around 400 million bushels under

U.S. GRAIN AND SOYBEAN STOCKS

Commodity	June 1		
	1975	1976	1977
Mil. bu.			
Corn	1,492	1,861	2,351
Sorghum	131	154	196
Oats	224	208	168
Barley	92	128	126
Wheat	435	664	1,109
Soybeans	424	554	335

loan, largest since 1971/72. If weather stays favorable this marketing year, farm prices of wheat are likely to average close to loan levels, indicating heavy loan activity in 1977/78.

Corn stocks have also been building this year and could reach around 900 million bushels by September 30, the end of the 1976/77 marketing year. This would be more than double year-earlier levels, and the largest carryover since 1972.

Livestock Prices Likely to Strengthen

After running around 2 percent larger in the first half, output of livestock and livestock products is expected to total slightly less than a year earlier in July-December. Livestock and product prices are likely to strengthen with increasing demand, perhaps averaging 8 to 10 percent above second half 1976.

Beef production could drop 4 to 6 percent below a year earlier in the second half. Although fed cattle marketings are expected to be up, sharp cutbacks in grass fed cattle and cows will cause an overall drop in beef supplies. Choice steer prices could average \$4 or \$5 per hundredweight higher than a year ago in the second half.

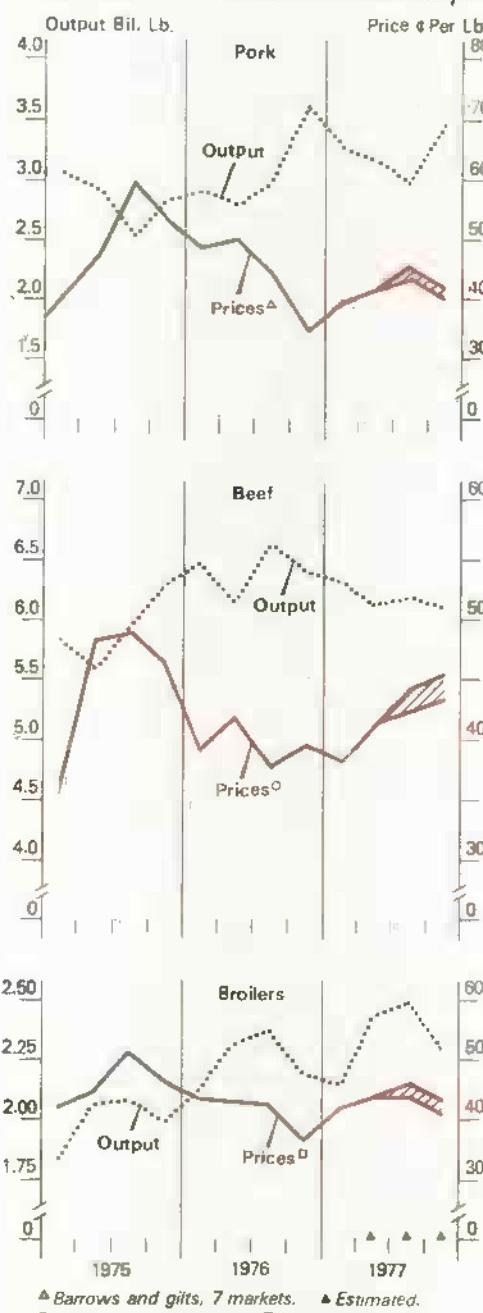
Hog output will rise seasonally this fall but will not match the big year-earlier volume. Although some seasonal drops in hog prices are expected later on this year, prices will likely average above a year earlier.

Overall red meat supplies will probably be down around 4 to 5 percent in the second half. But larger production of broilers, eggs, and dairy products (especially cheese) will help prevent sharp runups in red meat prices. These foods compete directly with the cheaper cuts of beef, such as hamburger, which are expected to show the largest price increases.

The reduced red meat supplies, together with increased consumer purchasing power, in turn will help boost demand for broilers, eggs, and cheese.

The increased price support level will be an important factor in maintaining milk prices above July-December 1976. Egg prices will be advancing seasonally in the second half, although prices will probably still average less than a year ago.

STRONGER LIVESTOCK PRICES LIKELY



▲ Barrows and gilts, 7 markets. ▲ Estimated.

○ Choice steers, Omaha. □ 9-city wholesale

Domestic Economy Continues To Expand

After the weather-induced slowdown early this year and the sharp rebound right after, most indicators of economic activity are currently pointing to more moderate but steady growth in the U.S. economy. Demand for food and fibers should continue to expand in the months ahead.

The first quarter gain in the Gross National Product after adjustment for inflation, was recently revised upward from 6.4 to 6.9 percent. This compares with a 2.6-percent gain in the fourth quarter. However, the recent revision did not reflect any strengthening in domestic demand, but was based on increased earnings on foreign investments. Real economic growth in April-June is still expected in the vicinity of 6½ percent.

The May unemployment rate edged down to 6.9 percent, the lowest in 30 months—compared with last November's 8.0 percent. Total employment has risen almost 2.7 million since last October.

Industrial output was up 1.1 percent in May, the fourth consecutive month of around 1 percent gains.

The business sector plans to spend around 12 percent more for plant and equipment this year, compared with a 6.8-percent rise in 1976.

First quarter per capita disposable income was up almost 8 percent from a year ago to around \$5,800. However, after adjusting for inflation, the real gains were around 2 percent. Total personal income rose around \$10 billion in both April and May.

Retail store sales were up around 12 percent from a year ago in May and early June. Food store sales were up around a tenth while apparel stores sales rose only about 5 percent.

World Economic Activity Continues Recovery

World economic activity has continued the broad based recovery that occurred in 1976. The rate of advance slowed during the latter part of the year and the expansion in early 1977 was somewhat less than the strong growth of a year earlier. Nevertheless, economic activity is expected to advance throughout 1977. Continued world inflation, imbalances in international payments, and rising debt burdens, will constrain economic growth in some countries.

World trade volume recovered strongly in 1976 and a further rise of 8 to 9 percent is likely this year. This would be about equal to the average rate of growth over the past decade.

Early Prospects Point To Large World Grain Output

Continued plentiful world grain supplies are in prospect for 1977/78, as grain stocks are building and the prospective world crop is only slightly smaller than 1976's record. The 1977/78 wheat and coarse grain crop is estimated at about 1.09 billion metric tons. Odds are 2 out of 3 that actual production will be within a 5-percent range around this estimate.

A crop as large as now indicated would still exceed world consumption, causing some further buildup in world stock levels. Wheat and coarse grain stocks could build to over 200 million tons by the end of 1977/78,

up from a low of 114 million in 1976. Most of these stocks will be held in the major exporting countries and the USSR.

Generally favorable weather and an increase in seeded acreage indicated another large 1977 Soviet grain crop, although it will be slightly smaller than last year's 224 million tons.

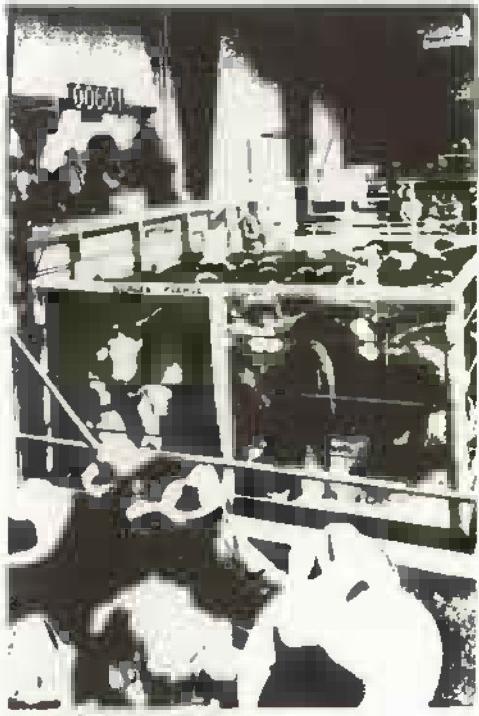
It is still early in the season and a lot can happen between now and harvest. However, a world crop of the size now indicated points to generally weak export demand for U.S. grains and relatively low prices in international markets.

World Food And Agricultural Outlook And Situation Board Established... Secretary of Agriculture Bob Bergland announced in June the establishment of a World Food and Agricultural Outlook and Situation Board to provide a single focal point for the Department's economic intelligence. In addition, the Board will oversee, coordinate, and review USDA estimates and analyses of international and domestic commodity supply and demand. The new Board will operate under the general supervision of the Director of Economics, Policy Analysis, and Budget, Howard J. Hjort. The chairman will be J. Dawson Ahalt.

Secretary Bergland explained that the new USDA Board with broad review powers is needed because of the increasing interdependence between world and U.S. agriculture and the market sensitivity to changes in global supply-demand estimates. It is also a move, he indicated, to bring increased economic analyses into USDA's forecasting activities and to avoid possible influence of program operations on information and intelligence responsibilities.

FOOD STORE SALES PICK UP; APPAREL STORE SALES LAG





Commodities

The Seven-State Cattle on Feed report showed a 3-percent decline in the number of cattle on feed June 1. This decrease occurred despite a 21-percent increase in placements during May and only a 1-percent increase in fed cattle marketed. Noted was an unusually large movement of cattle from feedlots back to pasture during May, reflecting improved grazing conditions in some States, particularly the Central and Southern Plains States. The net increase in May placements was limited to about 10 percent. Still, a large supply of fed cattle for late summer and early fall is indicated.

Summer quarter fed cattle slaughter is expected to be about equal to the year-earlier level. Fed cattle marketings may be up about 5 percent this fall. However, cow and nonfed steer and heifer slaughter is expected to show year-to-year declines. The size of this reduction is largely dependent on weather conditions and forage supplies this summer. Barring a severe deterioration in grazing conditions, third

quarter beef production will probably be 5 or 6 percent below last summer's level.

During May, the retail price of Choice grade beef increased about 3 percent from the \$1.34 per pound April average. Supplies of beef, as well as pork and broilers, continue to be abundant.

Second quarter per capita beef consumption probably declined less than 1 pound from last year's level of 31.2 pounds. Beef consumption per person in the third quarter will probably be slightly above the second quarter level, but 5 to 7 percent below the July-September level of last year. With rising consumer incomes and an improving economy, this level of consumption is expected to result in some increases from the early June levels in both retail beef prices and fed cattle prices this summer. Larger pork and broiler supplies, however, will temper price increases for beef. *James E. Nix, (202) 447-8143*

Hog Industry Profits Spur Continued Expansion

On June 1, hog producers planned to increase the number of sows farrowing during June-November by 5 percent. The quarterly pattern in intended farrowings shows a 5-percent increase

U.S. HOG INVENTORY AND PIG CROP

Item	1976		Change
	Thou. head	Pct.	
Inventory-June 1:			
Kept for breeding	8,415	8,598	+2.2
Market	45,635	45,502	-3
Total	54,050	54,100	+1
Sows farrowing:			
Dec. ¹ -Feb.	2,463	2,753	+11.8
Mar.-May	3,334	3,310	-7
Dec. ¹ -May	5,797	6,063	+4.6
Jun.-Aug.	2,976	-	-
Sep.-Nov.	2,891	-	-
Jun.-Nov.	5,867	6,144	+4.7
Pig crop:			
Dec. ¹ -May	42,228	43,091	+2.0
Jun.-Nov.	42,354	44,421	+4.9
Year	84,582	87,512	+3.5

¹ December of preceding year. ² Intentions.
³ Forecast.

for both June-August and September-November.

Moderating gains in pork supplies and contraseasonal declines in corn prices have kept hog operations profitable this year. A moderate buildup continues in the breeding herd and a more significant buildup is likely this summer if crop prospects continue to improve. The breeding season for the fall pig crop extends through July. Hog prices may hold in the mid-\$40's through early summer. The increase in farrowings could match intentions for June-August with a larger increase likely for the fall quarter. Slaughter through the first half of 1978 may be up around 5 to 10 percent.

Evident from the June report was the significant impact on the hog industry of severe weather and accompanying disease problems during the winter. December 1, 1976, farrowing intentions for the March-May 1977 pig crop suggested a 4-percent increase. March 1 intentions were reduced to 3 percent. Actual farrowings were slightly smaller than a year earlier, although industry profits would have suggested a buildup greater than initially planned. A significant percentage of sows scheduled to farrow during the spring quarter either aborted or failed to breed because of pseudorabies. With the smaller pig crop, slaughter during the fall quarter may be reduced 3 to 4 percent from the previous year.

Also significant were death losses among pigs of weaning age and older—estimated to be a fifth larger than during December 1975-May 1976. The inventory of market hogs in the middle weight groups was unchanged from the previous year, although the winter quarter pig crop was 8 percent larger. Slaughter this summer may only equal that of a year ago.

Seasonal advances in retail pork prices this summer seem certain. Higher farm prices for slaughter hogs during May and June were not reflected in prices at retail. Continued large beef and broiler production, as well as larger pork holdings in cold storage, will dampen ultimate price increases. But the summer-over-spring advance may be around 8 to 10 percent, implying a widening of the gross marketing spread for pork. Live hog prices for the summer quarter may average in the \$42 to \$44 range, little changed from the previous quarter.

If pork production holds near year-earlier levels this fall, continued growth in consumer incomes would support higher prices this year. Beef supplies will be reduced. Many pork products compete directly with lower priced cuts of beef, and the supply of forage fed beef may be down 20 percent. The resulting price strength for this grade of beef should strengthen the demand for pork. Some seasonal price weakness is anticipated, but prices of slaughter hogs at seven markets may be up \$5 to \$7 from the \$34-per-hundredweight average during October-December 1976. Eldon Ball, (202) 447-8143

Broiler Production To Gain; Egg Output Also Up

Broiler prices have been relatively strong this year, despite record large broiler production and larger red meat supplies. The nine-city wholesale price in April-May averaged nearly 42 cents a pound, slightly above a year earlier. Prices are expected to strengthen and average in the mid-40-cent range this summer before weakening seasonally to the low-40-cent range in the fall, compared with 41.5 and 35.5 cents in the third and fourth

quarters of 1976, respectively. Increased consumer buying power and smaller than year-earlier competing meat supplies will strengthen broiler prices.

Broiler production in April was only slightly above a year earlier, but will show sharper gains in coming months. Weekly slaughter and chick placement reports indicate output for the April-June quarter will be 4 to 5 percent above a year earlier. Producers are continuing to place a record number of eggs in incubators. If prospects continue favorable for this year's soybean crop and soybean meal prices don't completely recover recent declines, producers will likely continue to produce 3 to 5 percent more chicks for slaughter this fall.

Egg production matched year-earlier levels in March-May after falling 3 percent below year-earlier levels in January-February. Layer numbers on June 1 were still 1 percent below last year, but are expected to gain in coming months as more pullets enter the flocks. In addition, output per hen will continue to exceed 1976 levels. Thus, egg production in the second half of 1977 is expected to be 1 to 2 percent above last year.

Egg prices have strengthened in recent weeks and in late June were running about the same as a year earlier. Larger egg supplies will mean second half 1977 egg prices

will average well below July-December 1976. Gerald Rector, (202) 447-8801

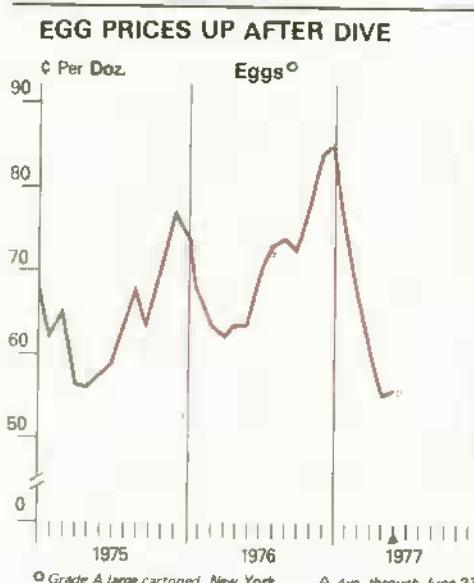
Milk Output Continues Heavy; Rates of Gain Slow

Milk supplies were quite heavy this spring, despite a very flat seasonal peak in milk output. Milk production in May was less than 2 percent above 1976, the smallest gain from a year earlier since October 1975 but still the heaviest May output since 1967. Milk cow numbers continued to run about a half percent below a year ago.

Forage problems persist in the drought-stricken West and the dry upper Midwest, where relatively tight roughage supply conditions persist. Milk-feed price relationships thus far in 1977 have not been sufficiently favorable to maintain large boosts in concentrate feeding although grain feeding remains heavy. If feeding relationships improve by fall, output per cow and milk production likely will pick up and about parallel last year's surging output.

Farm milk prices have been rather sluggish. Manufacturing grade milk prices in both April and May averaged almost 30 cents per hundredweight below the support level, when adjusted to annual average fat test. With most plants operating at capacity, there has been relatively little competition for available milk supplies. Milk prices probably will move closer to support level as supplies subside seasonally. The average price of all milk was \$9.40 per hundredweight in May, up 15 cents from a year ago and virtually unchanged since March. The slowness of the adjustment to the new support level has affected the level of all milk prices.

With heavy milk production and rather sluggish sales, USDA purchases under the price support program have been large. The equivalent of 3.8 billion pounds of milk



was removed from the commercial market during the first 5 months of 1977, the most for that period since 1971. Removals of butter were the largest since 1972 while cheese removals were the largest in 15 years. Net purchases of nonfat dry milk were also heavy but still far below 1975 levels. Price support purchases probably will remain large through this summer. *James J. Miller, (202) 447-8915*

Winter Wheat Crop Improved; Still Lags 1976

With harvest moving into full swing and moisture conditions improved, particularly in the Plains, the 1977 winter wheat crop, based on conditions to June 1, is estimated at 1,526 million bushels, 3 percent above the May forecast but still below last year's harvest by 3 percent.

On the basis of the winter wheat forecast and conditions in the spring wheat areas, all wheat production in 1977 is estimated to fall between 1,900 million and 2,150 million bushels. Chances are about 2 out of 3 that actual production will fall within this range. At these levels of production, prices of wheat at the farm during the 1977/78 marketing year likely would average in the \$2.25 to \$2.35 per bushel range at the high level of output and around \$2.40 to \$2.80 at the lower production level.

The odds at this time favor a 1977 wheat crop of around 2 billion bushels. With the largest carryover since 1963, the 1977/78 wheat supply could be larger than the 1976/77 record high.

Although developments so far this year point to another big world wheat harvest, U.S. 1977/78 exports are projected a little above 1976/77's 950 million bushels, because of large U.S. supplies and lower prices and the continued growth in world consumption.

Wheat prices have continued to slip in recent months reaching around \$2.20 to \$2.34 a bushel at

WINTER WHEAT PRODUCTION

Year	Area ¹ Mil. acres	Yield Bu.	Output Mil. bu.
1970	32.7	33.4	1,092
1971	32.4	35.4	1,144
1972	34.8	34.0	1,185
1973	38.5	33.1	1,273
1974	47.0	29.6	1,390
1975	51.6	32.1	1,653
1976	49.5	31.6	1,566
1977	47.8	31.9	1,526

¹ Harvested.

Kansas City in late June, compared with around \$3.75 a year ago.

With wheat prices lower in relation to prices of other grains, domestic use of wheat for livestock feeding appears heavy. In late June, wheat prices were only a little above corn prices, which favored wheat feeding. Wheat feeding is expected to jump to over 200 million bushels in 1977/78 which would be the largest in recent years. Farm prices for 1977/78 could average 25 to 50 cents under last season's \$2.85 per bushel.

The 1976/77 wheat marketing year drew to a close on May 31 with stocks at 1,109 million bushels, the largest carryover since 1963. Prices received by farmers averaged about \$2.85 per bushel for the season, down from \$3.55 in 1975/76 and the lowest since 1972/73. *George R. Rockwell, Jr., (202) 447-8636*

Corn Prices Continue To Slip

Corn prices have weakened since early June in the face of a considerably larger carryover this fall than in several years and generally favorable prospects for the 1977 crop. Corn (No. 2 yellow) at Chicago was around \$2.17 per bushel in late June, about 25 cents less than in late May and about 75 cents below a year earlier. New crop futures prices (December) have also edged off, reaching \$2.33 a bushel in late June. Corn prices are likely to continue sensitive to new crop prospects.

Corn exports still continue to move at a good clip. Exports through mid-June were virtually

the same as a year ago and the chances are good that around 1,650 million bushels will be exported in 1976/77, the second largest on record. Feeding use of corn has been lagging this marketing year despite larger output of most livestock and products. Domestic use of corn for feeding was down slightly in the October 1976-May 1977 period. Stocks have been building during the current marketing year. June 1 stocks were up 26 percent from a year ago, and levels at the end of the 1976/77 season on September 30 are likely to total about 900 million bushels, largest since 1972. *George R. Rockwell, Jr., (202) 447-8636*

Current Soybean Prices Weaker; Large Crop Needed

Since hitting their daily peak highs in April and May, prices for soybeans, oil, and meal have declined significantly. Soybean prices at Chicago in late June, at about \$7.40 to \$7.50 per bushel, were off about a fourth. Soybean meal and oil prices at Decatur, at \$190 per ton and 27 cents per pound, respectively, also were off significantly. Cutbacks in domestic crushings and exports of soybeans, and resistance to high meal and oil prices have had a price-dampening effect. Also, significant rainfall in parts of the soybean belt and improved prospects for the 1977 soybean crop are important factors. Prices during the summer will be highly influenced by new crop developments and subject to wide fluctuations in response to unfolding conditions.

Soybean crushings have slowed from their recent fast pace. Crushings in April and May were down 10 million and 18 million bushels, respectively, from a year earlier. Cumulative crushings fell behind a year ago for the first time in April and through May were down about 21 million. With dwindling soybean stocks, some processing plants

have curtailed operations. Crushings over the rest of the season will likely run about 15 percent below the 210 million bushels of last June-August. For the season they are expected to total 810 million bushels, compared with 865 million for the previous year.

Soybean exports also are slowing. Exports in May, at 55 million bushels, were 2 million below April and the smallest since January. Inspections for the month of June were down sharply from a year ago. High prices and competition from Brazilian soybeans are factors affecting exports. Over the balance of the season, exports are expected to average close to the 53 million bushels of last July-August. For the season, exports are expected to total a record 570 million bushels, about 20 million above last season.

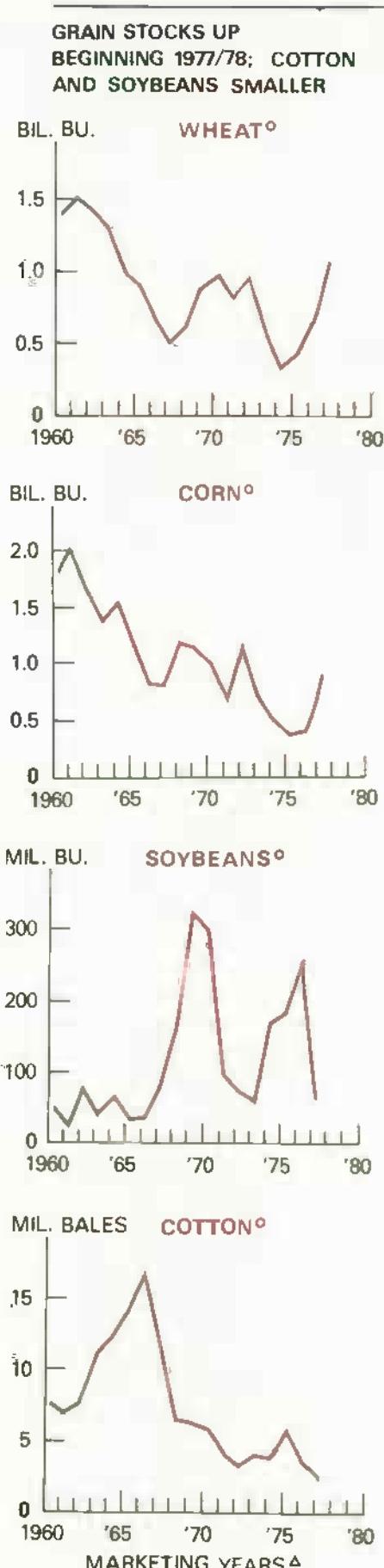
Despite the recent slowing in crush and exports, total soybean use for the season is expected to total about 1.45 billion bushels—nearly 200 million in excess of 1976 production. As a result, carry-over stocks on September 1 will be drawn down to rock bottom levels of around 65 million bushels, compared with 245 million bushels last September. Soybean stocks in all positions on June 1 totaled 335 million bushels, down about 40 percent from a year ago.

With expected carryover at such a low level, a sizable 1977 soybean crop is necessary in order to alleviate a continuation of tight supplies and high prices in 1977/78. Planting of soybeans was early this year and the crop was off to a good start. By late June, plantings were about 95 percent completed.

Stanley A. Gazelle, (202) 447-8444

1977/78 Cotton Prospects Brighter

Cotton use prospects for the balance of calendar 1977 hinge on the level of U.S. textile activity, competitive price relationships, and the availability of supplies. Improving



△ YEAR BEGINNING JUNE 1 FOR WHEAT, AUG. 1 FOR COTTON, SEPT. 1 FOR SOYBEANS, AND OCT. 1 FOR CORN. CARRYIN STOCKS.

general economic activity, spurred on by increasing personal incomes, declining unemployment, and a healthy rate of consumer spending, will likely result in total fiber use of 12 to 12.5 billion pounds this year, up from 11.6 billion in 1976. However, limited supplies will restrict cotton use for the next several months. For 1977 as a whole, cotton's share of the U.S. fiber market may drop to a record low 25 to 27 percent.

Prospects are brighter for 1978 cotton use. Supplies promise to be much improved, thus placing cotton in an improved competitive position, compared with manmade fibers.

With nearly a fifth more acreage planted to the 1977 cotton crop, production will be up sharply, even if yields are disappointing. However, relatively favorable weather throughout the Cotton Belt during recent months suggests that yields may better 1976's national average of 465 pounds per harvested acre. If yields, for instance, should average 480 to 500 pounds, production would total 13 to 13.5 million bales, up from 10.6 million in 1976.

So the tentative cotton outlook for 1977/78 is for production well in excess of disappearance, which could hold near the current season's level of about 11-3/4 million bales. This situation points to a rebuilding in cotton stocks by August 1, 1978, to perhaps the 4- to 5-million-bale level. This prospective carryover compares with an estimated 2.7 million bales this summer and would be near the 1972-76 average.

Another good year for U.S. cotton exports is shaping up for next season. Shipments during 1977/78 could total 4 to 5 million bales, if foreign use exceeds production by around 4 million. Some improvement in sluggish textile activity in Western Europe and Japan should benefit U.S. exports.

U.S. mill use of cotton during

1977/78 is expected to profit from larger supplies. Use may total 6.5 to 7.5 million bales as the current nearly 20-cent-per-pound price disadvantage for cotton relative to manmade fibers narrows.

Although cotton supplies now are extremely tight, the bearish influence of the sharply larger 1977 cotton crop, coupled with recent lackluster demand, is dominating current price developments. Spot market prices have dropped off rather sharply since mid-March and most prices now are moderately below year-earlier levels. Prices of the shorter staples have exhibited the least deterioration, reflecting their relatively tighter supplies. *Russell Barlowe, (202) 447-8776*

Summer Fruit Supplies Ample

Supplies of most summer fruits will be ample this year, but prices will still be moderately above last year's level.

On June 1, the citrus crop was estimated to be 5 percent larger than the record crop last year. Current stocks of canned noncitrus fruit are smaller than a year earlier, reflecting smaller packs and slightly larger movement.

U.S. PRODUCTION OF SELECTED NONCITRUS FRUIT¹

Crop	Utilized		Indicated 1977
	1975	1976	
Thou. tons			
Apricots	183	155	155
Cherries, sweet	152	169	127
Cherries, tart .	145	73	106
Nectarines	111	133	125
Peaches ²	1,421	1,509	1,518
Bartlett Pears .	510	587	553
Plums, California	124	115	135
Total	2,646	2,741	2,719
Prunes, California ³	149	145	152

¹ As of June 15, 1977 for cherries; June 1, 1977 for other fruit. ² Includes cling stone culs and cannery diversions. ³ Dried basis.

The West Coast drought is expected to have very little effect on production of noncitrus fruit this year. Peach production is forecast at 2.9 billion pounds, down 3 percent from last season's total but 3 percent above the 1975 crop. Pear production in the West Coast States will be down 6 percent from last year's record crop, but 9 percent larger than in 1975. Sweet cherry production is down one third.

California cling peach growers have negotiated higher prices with canners this year. A sliding scale of prices is expected to result in growers receiving more than \$120 per ton for canning peaches this year, up from \$115 per ton last year. Growers of other canning fruits—pears, apricots, purple plums, etc.—are expected to negotiate comparably higher prices. Higher raw product prices, combined with higher processing costs, will result in higher retail prices for canned fruit products next fall.

During the first quarter of 1977, the index of prices received by growers for fresh and processing fruit averaged moderately below a year ago due primarily to lower prices for citrus for processing use. However, the index is expected to rise above year-ago levels during the summer because of the smaller remaining supplies of apples and oranges. Prices received by growers during 1977 should average moderately above the 1976 level. *Jules Powell, (202) 447-8444*

Tobacco Use Slips; Smaller Crop in 1977

The slow growth in U.S. cigarette sales has caused U.S. tobacco use for the 1976/77 marketing year to slide below last season's level and fall short of 1976's output. Thus, carryover by July 1 (October 1 for burley and other kinds) will rise some 250 million pounds above last year's 3½ billion pounds.

Domestic cigarette use for the 10 months ended April 1977 increased

about 1 percent. But manufacturers have been working off inventories, so cigarette output in the year ending June 30 may be down around 2 percent. Contrasting with the stability in cigarette smoking, but consistent with recent trends, use of cigars and smoking tobacco continues below a year earlier. For the year ending June 30, large cigar use may drop about 7 percent and small cigar volume may fall some 20 percent from 1975/76. Output of snuff and chewing tobacco production is increasing.

Unmanufactured tobacco exports for July 1976-April 1977 totaled 6 percent below a year earlier. For the year ending June 30, shipments will probably fall below the 588 million pounds (652 million pounds farm-sales weight) of the previous year. World demand for U.S.-type blended cigarettes is still climbing, but some overseas markets have either slowed their purchase rate or shifted to competing tobacco because of sharp price increases to consumers and discriminatory non-tariff barriers.

With a decline in cigarette output and decreased tobacco use per cigarette, domestic flue-cured use in the year ending June 30 is dropping 3 percent from last season's level. Allowing for a lower level of exports, total disappearance of flue-cured will run about 4 percent below the 1.2 billion pounds of last season. This falls short of the 1976 crop, so the July 1977 carryover of flue-cured likely will gain a tenth from the 1.9 billion pounds of a year earlier.

April intentions point to 12 percent less flue-cured acreage than last year. For the new season, total supply (estimated carryover plus

the projected 1977 crop) may gain a little. The smaller crop this season and the 7-percent higher support level means prices are expected to average above last year. Auctions for the flue-cured crop are scheduled to open the week of July 11.

Use of burley tobacco may total a little above last season's 601 million pounds but well below last year's large crop. Thus, the October 1 carryover is expected to rise from last year's 1,131 million pounds. Lower farm poundage quotas indicate growers in 1977 are expected to produce and market a smaller crop than last year and keep total supplies about the same as for 1976/77.

Dry weather during most of May was the dominant condition affecting the crop early in the season for flue-cured States. By the last week of May, most flue-cured areas received beneficial rains. About adequate rainfall was reported during May in burley areas. By early June, tobacco setting was completed in North Carolina and Virginia and almost finished in Kentucky. Harvest was progressing normally in Georgia and Florida. However, the weather pattern early in the season may result in wide variation in crop maturity. *Robert H. Miller and Richard Hall, (202) 447-7290*

Just A Puffin' Away... Americans are paying more for cigarettes these days, but are smoking more. A USDA Economic Research Service report shows that by the end of June smokers may have puffed around 20 billion cigarettes, that's up about 1 percent from last year. And smokers are turning to low tar and low nicotine cigarettes more. These type cigarettes now total about 20 percent of all American cigarettes which, incidentally, includes at least 40 different brands or brand variations.

Commodity Highlights

equal wheat and corn prices favor wheat feeding...jump to over 200 million bushels in 1977/78, largest in recent years...farm prices for 1977/78 could average 25 to 50 cents under last season's \$2.85 per bushel.

Corn: Prices edge off, cash market reaches \$2.17 per bushel at Chicago and new crop futures (December) at around \$2.33 in late June...rains in Corn Belt and weak domestic demand contribute...market prices below last fall's harvesttime lows and lowest for June since 1972...prices to continue sensitive to new crop prospects...feeding lags, down slightly in October-May despite larger livestock output...more wheat being fed...exports still moving at good clip, should reach 1,650 million bushels in 1976/77, second largest on record...stocks building...large crop likely this year if weather is favorable...so far corn development ahead of recent years, but rainfall rest of the year key factor.

Soybeans: Larger than anticipated U.S. stocks, plus movement of Brazilian beans to market, clampening U.S. prices...prices at Chicago ran around \$7.40 to \$7.50 per bushel late June, down sharply from May, but still about \$1.25 above June 1976...soy meal and oil prices reflect decline...stocks still expected to close 1976/77 on August 31 at minimal levels...farmers planted more acreage at a faster-than-usual pace this year...larger crop likely if weather cooperates.

Tobacco: Cigarette use likely up about 1 percent in 1976/77...but fewer cigars and less smoking tobacco are being purchased...tobacco exports lagging...domestic requirements down...stocks building, 1976/77 ending inventory may

(Continued from inside front cover)

be up 8 percent from year ago...less acreage planted in 1977, crop could be down a tenth...7-percent higher support levels and smaller crop point to increased prices to farmers in 1977/78.

Cotton: Domestic use lags because of price competition from manmade fibers and limited cotton supplies...exports remain strong, 1976/77 may total 55 percent above year earlier...cotton textile imports continue at high level, mainly from Hong Kong...cotton's share of 1977 fiber market may hit record low 25-27 percent, vs. 30 percent 1972-76 average...stocks this August likely to hit 26-year low...despite tight supplies, cotton prices ease back in recent weeks reflecting larger prospective 1977 crop and relatively weak domestic demand...spot market price in late June around 59 cents a pound, vs. 72 cents year ago...December futures price trails off, quoted at about 60 cents in late June...big boost in output likely this year, perhaps a fourth to a fifth larger...domestic cotton use could improve in 1977/78...exports likely will continue strong...but stocks could be rebuilt next year to near average levels.

Fruit: Summer fruit supplies down slightly, and higher prices in prospect...remaining supplies of most citrus moderately below a year ago...stocks of canned non-citrus fruit, fresh apples, and dried fruits below year ago...frozen fruits in larger supply...this year's peach crop down 3 percent from 1976, still above most recent years...California growers of cling peaches (mostly for canning) negotiated higher prices this year, and other canning fruits will also be more expensive...grower prices of fruits expected to move above year-earlier this summer, and average moderately higher for all of 1977.



Inputs

Domestic use of fertilizer from July 1976 to March 1977 appears to be up 5 percent from last year. Shipments of primary materials were up 10 percent and fertilizer mixtures rose over 2 percent. Shipments of nitrogen and potash fertilizer, as primary materials, increased but about the same tonnage of phosphate was shipped. This increase in disappearance of fertilizer was the result of favorable weather for planting and anticipated large acreage.

The 1976/77 fertilizer year could be a second consecutive record year for fertilizer applications. Total fertilizer use rebounded in 1975/76 to about 49 million tons after sharply higher prices caused farmers to sharply cut back fertilizer use in 1975.

FERTILIZER CONSUMPTION

Year ending June 30	Total use Mil. tons
1972	41.2
1973	43.2
1974	47.1
1975	42.5
1976	49.1

Fertilizer prices edged slightly higher in May. The index of all fertilizer prices in May were 1 percent above March and slightly above April 1976, but still a fifth below the April 1975 peak.

Prices for nitrogenous materials this spring were close to a year earlier with lower prices of anhydrous ammonia and aqua ammonia, offsetting increases for other nitrogen products. Anhydrous ammonia prices were down about 1 percent, while aqua ammonia declined about 5 percent. May prices of concentrated superphosphate and diammonium phosphate were down about 5 and 2 percent, respectively. On the other hand, potash prices rose about 1 percent. *Paul Andrilenas, (202) 447-6620*

Farm Loan Volume Up; Interest Rates Steady

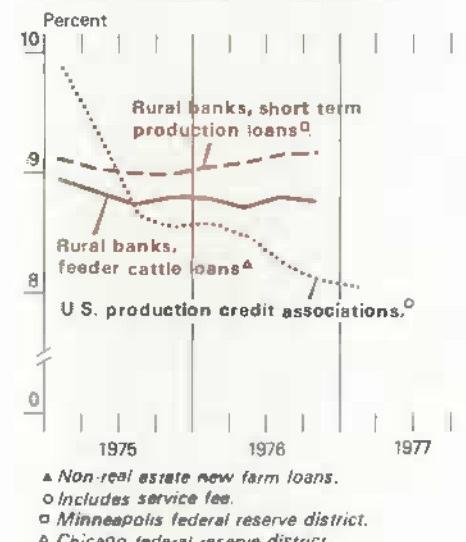
Farmers' use of borrowed funds has continued to rise this spring and summer, as has happened in recent years. In some Western and Great Plain States, loan repayments have been slower and loan renewals have risen. Farmland values continued to rise in the November-March period of 1976/77, contributing to continued strong demand for farm real estate lending rose strongly in the first quarter of 1977.

Outstanding real estate farm debt rose 10 percent during 1976 with all lenders expanding their holdings. Life insurance companies have become more active although their loans are still expanding less rapidly than those of the Federal Land Banks (FLB's). Individuals and others—largely land sellers via contract or mortgage—expanded their lending at about the same rate as the previous years. The Farmers Home Administration (FmHA) continued as a relatively small loan source.

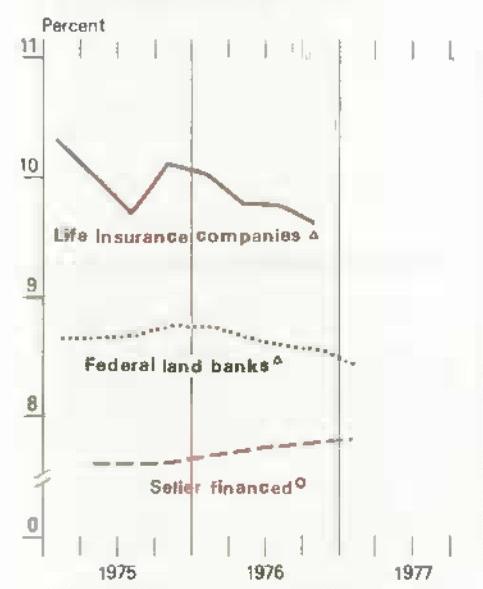
Most of the real estate loans made during 1976 continued to be for the purpose of purchasing farmland from other owners, commonly for enlargement of existing farms. There was no increase nationwide at FLB's or life insurance companies in the percentage of real estate loans used to consolidate

INTEREST RATES GENERALLY STEADY ON ...

... NON-REAL ESTATE LOANS*



... AND MORTGAGE LOANS



short-term indebtedness. Such refinancing probably increased in the spring of this year in farming areas where drought and lower wheat prices were problems.

Nonreal estate loans have continued to rise this year at about the same rate as earlier. However, a larger part of the growth reflects greater renewals and carryovers of debts that usually would have been repaid when due. Repayments of short-term loans at commercial banks were reported in Federal Reserve Bank surveys to have been slower than last year—particularly in the Kansas City and Minneapolis Reserve Districts. Production Credit Association (PCA) loans, in contrast to the situation at commercial banks, were being repaid at a more normal rate and renewals have not changed much.

Concern about credit availability and loan repayment problems in the Plains States gave rise to the USDA survey of the farm financial situation in those States, as reported in the May issue of *Agricultural Outlook*. Since then, rains have eased the drought situation appreciably and greater Federal Government involvement in income and price support for wheat producers seems likely. Selling prices of farmland have apparently either been maintained or have continued to rise.

During 1976, nonreal estate loans outstanding increased 13 percent. Loans of banks rose more rapidly than those of PCA's. FmHA loans, while still a tiny part of the total, have been significant in drought areas in recent years. Of the \$1.9 billion FmHA loans outstanding on January 1, 1977, \$0.8 billion was in emergency loans—largely in the drought-designated counties.

While farm debt has grown considerably in recent years, so has the value of the assets associated with these debts. The debt/asset ratios for both real estate and non-

real estate groupings have changed little in the 1970's.

Interest rates on both real estate and nonreal estate loans have pretty well flattened out over the last 2 years, except for PCA rates which have declined. Rates on short-term farm loans at banks are a little under 9 percent. PCA rates, which follow money market rates, have declined from the high level of early 1975 to about 8 percent. Rates on seller-financed real estate loans are lower than rates charged by the institutional lenders. Phillip Allen, (202) 447-7383

Weather Update

Spring planting of major field crops was early this year and crops are off to a good start. Crop developments have been ahead of normal. Except for North Dakota and parts of the Southwest where dry soil conditions persist, topsoil moisture conditions are generally favorable.

Although this might suggest high crop yields in 1977, a closer look at subsoil moisture conditions and NOAA's 30- and 90-day weather forecasts indicate the uncertainties that still abound regarding the levels of this year's crops.

Low subsoil moisture reserves will make feed grain crops and soybeans unusually dependent on rainfall during the growing season. The subsoil moisture situation is very short in the upper Western Corn Belt, in the Western States, and in the Southeast. Even though there is enough moisture available in the upper layers of the soil to support crop growth, an extended dry spell would quickly put most growing crops under stress.

Plants usually get around a lack of moisture in the upper layers of soil by drawing moisture from deep below the surface. However, this year they will be unable to do so because the moisture reserve has been only partially replenished

since last year. Frequent rains will need to continue in major producing areas of the country if farmers are to achieve good yields, but forecasts are calling for dry weather over most of the Corn Belt through mid-July.

Early melting of mountain snowpack means the West will still face severe summer water problems. The unusually early snowmelt is being absorbed by dry soil instead of running off into rivers. Many rivers that provide critical irrigation water for western crops are expected to yield less runoff than at any time since recordkeeping began in the late 1880's. Snowpack accumulated in winter and spring usually provides about 70 percent of the western water supply.

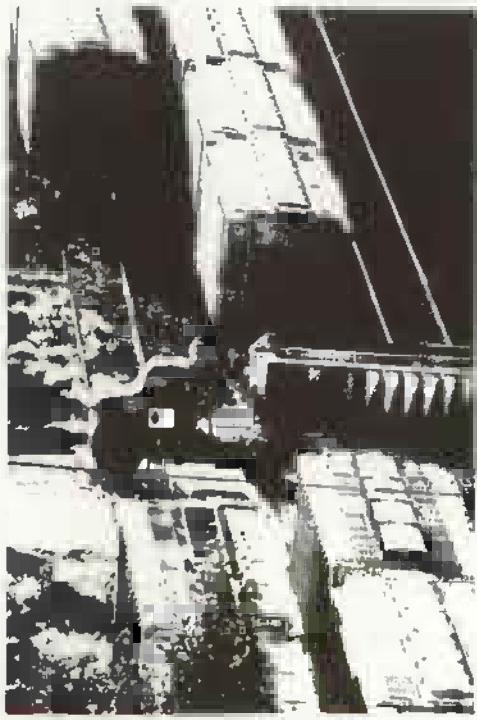
The California water shortages are the most severe in years. But by making use of ground water supplies and some reallocations among crops, the harvest of vegetables, fruits, and tree nuts in that State will not be greatly reduced this season.

Although ground water supplies are presently near normal, new wells are being drilled at a record pace, and there is a good deal of uncertainty concerning the extent to which ground water can substitute for reduced surface water and the long-run effect of drawing down the water table.

July Situation Report Schedule...

Situation reports which will be released by the Economic Research Service this month includes:

	Off Press
Fruit	July 8
Livestock and Meat	July 13
Cotton and Wool	July 13
Ag. Supply and Demand	July 13
Farm Real Estate	July 19
Fats and Oils	July 25
Dairy	July 26



Transportation

While localized shortages are inevitable, a generally adequate supply of railcars and grain storage space is expected to prevail throughout the winter wheat harvest. As feed grain harvest begins at summer's end, commercial grain storage is likely to be in short supply and railcar shortages more severe than is implied by the anticipated low level of grain sales.

Overall, the cost of transportation is expected to rise during the summer. At the same time, the rate of increase is expected to be below that of the past 2 years and selective reductions in rail rates for grain are anticipated.

Tight Storage Situation Likely

Through May 1977, shipments of grain by rail were more than 12,000 cars below the same period in 1976. During May, railcar loadings of grain averaged 7 percent below May 1976. The unexpected

railcar shortage, which developed during the winter freeze, ended in mid-May, but spot shortages of rail equipment have been reported during the spring harvest.

More extensive shortages are anticipated in Corn Belt States during the fall. Railcar shortages are likely to be especially severe in Illinois, Iowa, Ohio, North Dakota, Montana, Kentucky, and Tennessee. Preliminary estimates indicate that good corn, soybean, and small grain crops in these States will strain commercial storage facilities beyond their capacity. The tight storage situation indicates that early attempts will be made to move grain from country elevators to terminals and subterminals in anticipation of harvest.

In anticipation of increased traffic, both railroad and private owners have added large capacity (100-ton) covered hopper cars to their fleets. Many country elevators, the first to feel the harvest-time storage pinch, cannot, however, make effective use of covered hopper cars. Substantial reductions in the 40-foot narrow-door boxcar fleet, in combination with a relatively large carryover of grain and a good harvest, seem likely to result in boxcar shortages for some country elevators.

INVENTORY OF GRAIN CARRYING RAILCARS¹

June 1	Boxcars		Covered hopper cars	
	Railroad-owned	Pri-vately owned	Railroad-owned	Pri-vately owned
1975	142,243	1,388	157,855	66,423
1976	124,444	505	158,349	69,108
Change 1975 to 1976 (%) ...	-13	-64	(²)	+4
1977	99,366	470	163,446	70,623
Change 1976 to 1977 (%) ...	-20	-7	+3	+2

¹Cars on line. ²Less than 0.5 percent.

Source: *Semi-Monthly Revenue Freight Car Summary*, Association of American Railroads, Wash., D.C.

Lower Rail Freight Rates Proposed

The rail freight index for farm products continued to creep upward and stood at 190.4 for May 1977. Certain specific reductions in rail rates, however, took effect in May and more reductions have been proposed. On May 15, the Milwaukee Railroad began to offer reduced off-season and peak-season rates for eastbound wheat in single cars. These are the first off-season and peak rates approved under the *Railroad Revitalization and Regulatory Reform Act of 1977*. It seems likely that Milwaukee's competitors will offer similar reductions.

The Chicago and Northwestern Railroad has proposed reduced off-season and peak rates on 25- and 50-car trains of corn, wheat, and soybeans from points in Iowa, Minnesota, Nebraska, and South Dakota to Minneapolis-St. Paul and other river terminals. Under this proposal, wheat rates would be higher between July 1 and August 15. Corn and soybean rates would peak between October 1 and November 30. Lower rates would prevail during the remainder of the year.

The Burlington-Northern Railroad has indicated an intention to publish reduced 15-car export rates for corn, soybean, and grain sorghum shipments to the Pacific Northwest. Transit privileges will not be offered and switching charges will not be absorbed.

Additionally, the Southern Freight Association, a rate bureau in which railroads serving the Southeast participate, has proposed seasonal rates on feed grains (except wheat) and soybeans. Under this proposal, lower rates would prevail from December 16 through July 31 for shipments to Gulf ports and ports in Virginia, the South Atlantic States, and Florida.

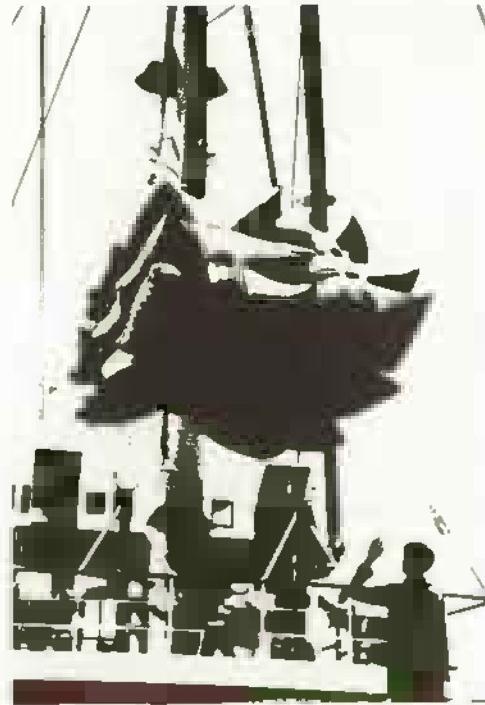
All of these decreases reflect both an attempt to alleviate seasonal railcar shortages and a reaction to the strong truck competition which developed after the general rail rate increase of March 1976.

Barge Shipments Down

In May, shipments of grain by barge averaged 4 million bushels per week above April's level, but still remained well below normal seasonal averages. A relatively quiet export market explains part of the overall reduction in barge shipments, but low water conditions that existed in the lower Mississippi River have also been responsible. Recent heavy rains have alleviated low water problems that existed into June.

Truck Freight Rates to Rise

Two regulated motor carrier rate bureaus have filed for general rate increases of about 2 percent. Other rate bureaus are expected to seek similar increases, and exempt motor carriers that serve the agriculture community can be expected to increase their charges as well. The recent high demand for trucks to handle the spring fruit and vegetable harvests, together with an anticipated good grain harvest, also create a likelihood that truck rates for unprocessed agricultural commodities will be above 1976 levels. T.Q. Hutchinson, (202) 447-6363



World Agriculture and Trade

Northern Hemisphere crops have largely been planted, and current conditions point to increases in 1977/78 world production of a number of key commodities in 1977/78—cotton, oilseeds, and coffee, in particular. Summer weather will be the critical variable.

For 1977/78, the world grain situation should see the continuation of large supplies and the possibility of some further accumulation of stocks—particularly in the major exporting countries.

Foreign demand for U.S. agricultural commodities has been bolstered by the continuation of the broad-based recovery in world economic activity. However, widening imbalances in international payments and rising debt burdens cast a shadow on the longer term economic prospects for many countries.

Large World Grain Crop in Prospect

The very preliminary data available on the 1977/78 world grain crop suggest that a crop slightly smaller than last year's 1,335 million tons is in prospect because of

reduced plantings and early prospects for reduced yields due to less favorable weather. Lower grain prices relative to both 1976/77 prices and to prices of major competing crops contributed to a reduction in planted area, particularly in North America.

Production estimates made this early in the year are subject to wide variations. Past experience suggests, however, that the final outcome is not likely to vary more than 5 percent in either direction from preliminary estimates in two cases out of three.

World Wheat Area To Slip

A slight decline is anticipated in total harvested wheat area in 1977/78. Low wheat prices are the principal cause of the expected decline in plantings. Area reductions of around 10 percent in Canada and 30 percent in Argentina are projected. However, the Australian Government is encouraging wheat plantings. Because Australian farmers benefited from excellent weather at planting time, the wheat area there may rise a tenth this year.

The 1977 Soviet wheat crop is expected to be relatively large and above the 1971-1975 average of 90 million tons. The winter crop enjoyed very favorable weather.

World wheat consumption may increase 5 percent in 1977/78 but

WORLD GRAIN SUPPLY AND USE

Commodity	1975/ 76	1976/ 77 ¹	1977/ 78 ²
	Mil. metric tons		
Wheat:			
Production	350.1	413.6	402.9
Consumption ³	349.9	373.2	392.3
Exports	72.8	65.7	69.2
Ending stocks ⁴	62.8	103.2	113.8
Coarse grains:			
Production	634.5	691.4	684.3
Consumption ³	635.2	673.7	664.8
Exports	88.6	83.2	77.7
Ending stocks ⁴	50.9	68.6	88.3

¹ Estimate. ² Forecast. ³ Where stock data not available (excluding USSR), consumption includes stock changes. Stocks based on differing marketing years. Data not available for all countries; includes estimated change in USSR but not absolute level.

⁴Data not adjusted for transhipments.

will remain below trend. Much of the increase is expected to occur in the Soviet Union. World consumption is expected to remain below production, resulting in further building of world stocks.

It is very early to project 1977/78 trade levels which will depend on crop outturns in both exporting and importing countries and on world demand. It appears that world wheat trade should recover in 1977/78, perhaps expanding by about 5 percent. U.S. wheat exports should grow by a similar amount.

Coarse Grains Making Acreage Gains

The world coarse grain area may be marginally larger in 1977/78; however, yields will likely be below last year's above-trend level. Weather for spring-planted grains has been less favorable than usual.

Production gains are anticipated in Western Europe, Thailand, Australia, and Brazil. The Soviet coarse grain crop probably will total well below 1976's 115 million tons.

World coarse grain consumption is expected to drop slightly in 1977/78, despite a projected 5-percent increase in the United States. The expected decline in Soviet coarse grain use will more than offset the increase for wheat.

World coarse grain trade may slip 5 to 10 percent in 1977/78. Exportable supplies will again be large, but Western Europe, the Soviet Union, and Eastern Europe will likely import less than in 1976/77. U.S. coarse grain exports could drop 10 to 20 percent.

Cotton Coming On Strong in 1977/78

Current high cotton prices are encouraging farmers to up plantings around the world. Early planting intentions for 1977/78 indicate a 6-percent hike in cotton area, and world production could climb as much as a tenth, if weather is favorable. Of course, projections for

1977/78 supplies and demand are extremely tentative at this time.

U.S. cotton exports during 1977/78 will depend upon the outcome of U.S. and foreign crops as well as world demand for cotton. High cotton prices and a weakening in the world textile economy are limiting prospects for cotton utilization in coming months. World cotton consumption in 1977/78 is forecast to rise marginally. The supply situation is likely to remain tight with little buildup of stocks.

International Commodity Prices Slip

International commodity prices turned up this spring as short supplies of soybeans, cotton, coffee, and cocoa beans pushed prices of these commodities to record levels. However, recent weeks have seen a significant decline in prices of many of these commodities, especially soybeans and coffee. Prices for grains trailed down throughout the period because of plentiful supplies.

Soybean prices reached \$10 a bushel at the Gulf ports in April as the tight 1976/77 marketing year went into the most critical period.

Coffee prices (green bean basis) skyrocketed to \$3.40 a pound (International Coffee Organization composite price) from the impact of Brazilian crop, but prices eased significantly since mid-April. International cocoa bean prices dipped briefly in April but then resumed their steady upward climb in May.

The plentiful 1976 wheat harvest and prospects for a large 1977 wheat crop caused international wheat prices to slide 30 percent from a year ago. Corn prices dropped less because of the expected small carryover in feed grains from the 1976 crop and the general tight supply of feedstuffs, including protein feeds. As a result, in recent months corn has been priced the same or higher than wheat at Gulf ports. *Sally E. Breedlove, (202) 447-8260.*



Policy Developments

The United Nations Sugar Conference, which commenced April 18, ended on May 27 without a new international sugar agreement. Agreement was not reached on the price range, the size of stocks needed to protect the upper end of the price range, the need for and approach to stock financing, the division of costs of storage between exporters and importers, the methods of stock verification, the allocation of quotas, or the treatment of special arrangements.

There was, however, general acceptance of the concepts of a global quota and of moving to a performance criterion for establishing future free market export entitlements.

The chairman of the Conference submitted a revised working paper which will form the basis for further deliberations, consultations, and negotiations should a second session be convened. He was given authority to call a July meeting in

London under the auspices of the United Nations Conference on Trade and Development to decide whether another full session should be arranged. If an affirmative decision is reached, a fall session will be held.

Items not considered in the chairman's draft but of particular interest to the countries and international organizations participating in the conference, will be discussed in forthcoming meetings. *Thomas Little, (202) 447-8070*

Trade Concessions Adopted for Developing Nations

The major industrial nations at the Multilateral Trade Negotiations (MTN) implemented or will implement part or all of their trade concessions and contributions on tropical products to developing countries. The commodities include coffee, cocoa, tea, spices, jute, tobacco, sugar, tropical fruits, and some semiprocessed and processed products. These trade concessions and specific 1977 goals set by the United States and six other industrial countries should give new impetus to the stalled MTN talks.

The U.S. trade concessions, when fully implemented, would reduce duties on a Most-Favored-Nation basis on almost 150 tropical products, valued at approximately \$1 billion, to 41 developing countries. Consultations on the U.S. offer are continuing between the United States and developing countries.

Differences in the scope and approach to the treatment of agriculture have generally slowed the progress in other MTN groups. One of the goals for the MTN in 1977, as set by the United States, West Germany, France, the United Kingdom, Italy, Canada, and Japan, is to obtain "...a mutually acceptable approach to agriculture that will achieve increased expansion and stabilization of trade and greater assurance of world food supplies."

Two other goals are: (1) a tariff reduction plan of broad application

which will substantially cut, harmonize and, in certain cases, eliminate tariffs; and (2) codes, agreements, and other measures that will significantly reduce nontariff barriers to trade and avoid new barriers in the future.

Developed and Developing Countries Continue Talks

The Conference on International Economic Cooperation, held its final session in May 1977. The Conference was formed in 1975 to carry out a dialogue between developed and developing countries on energy, raw materials, development, and financial affairs. The 8 industrialized nations and 19 developing countries participating agreed to the establishment of a common fund to help stabilize commodity prices and to a \$1-billion special action program for agricultural development in the poorest nations.

The United States stated it would take part in efforts to establish individual commodity agreements to stabilize prices, to create a common fund to back up commodity agreements and to assure adequate compensatory financing to developing countries to offset fluctuations in their export earnings. The United States also agreed to help provide investment to develop new supplies and to support diversification and product improvement.

The United States also announced that it is prepared, upon Congressional approval, to contribute \$375 million to the special action program in addition to present levels of bilateral aid to the poorest countries. The Conference ended in disagreement over the indexing of commodity prices, the moratorium on debt repayments, and the continuance of an energy dialogue.

Aid to Developing Countries Being Resolved

The International Fund for Agricultural Development (IFAD) may come into operation before the end of 1977. IFAD was proposed by the 1974 World Food Conference to mobilize additional resources on concessional terms for agricultural development in developing countries. The \$1-billion target in pledges has been met and other outstanding issues such as allocation of resources and project supervision and appraisal have been resolved.

More than 90 countries are participating in the establishment of the fund and almost half, including all the OPEC countries except Kuwait and Venezuela, have signed the agreement. Once notification (the depositing of instruments of cash or credit pledged) has been made by a sufficient number of participating countries, the Fund can become operational. The United States, with a \$200-million pledge, is the largest single donor.

IFAD's support will be primarily for projects and programs specially designed to introduce, expand, or improve food production systems and to strengthen related policies and institutions. Priority will be given to countries with per capita income of \$500 or less. *Barbara Blair, (202) 447-7590*

Manila Food Conference

Secretary Bergland, at the World Food Council (WFC) in Manila, held June 20-24, outlined the basic principles guiding the U.S. approach to the question of grain reserves. U.S. proposals stress the need for:

- A reserve stock mechanism "designed to reduce wide fluctuations around the long-term trend in market prices," for which the United States is "willing to consider price indicators to trigger reserve actions."
- The sharing of the cost of reserve stocks among both

exporting and importing nations, with "special provisions...to assist poor nations in meeting their share."

- The prevention of the "interruption in trade for grains which prevent adjustments in consumption and production in times of extreme surplus and scarcity."

Bergland expressed a hope that "the International Wheat Council soon can lay the foundation for negotiations of an agreement which would include a coordinated system of nationally held reserve stocks."

The WFC agreed in principle to the establishment of national grain reserves from currently surplus stocks, and that both importing and exporting countries should bear the costs of creating an international system of food reserves of which the national reserves would be a part. The WFC also agreed to a proposal for the establishment of an emergency reserve of 500,000 tons.

The WFC also agreed to the importance of increasing food production in developing countries, particularly in the "food priority countries," as a long-term solution to world food security. It agreed that a substantial increase in external and internal resources was needed to reach the agreed goal of a 4-percent growth rate in food production by developing countries.

The WFC reaffirmed the target of 10 million tons of cereals as food aid during 1977/78 and recommended that a new Food Aid Convention be developed as part of a new world grain agreement due to be worked out by July 1978. *Richard Kennedy, (202) 447-8260*

FDA Proposed Ban on Selected Antibiotics

To preserve the effectiveness of tetracyclines and penicillins for human use, the Food and Drug Administration (FDA) has proposed to restrict the use of these antibiotics in animal feeds. Under the FDA proposal, these antibiotics could no longer be routinely included in feed for the purpose of promoting rapid growth, improving feed efficiency, or reducing mortality. However, their use would still be available to treat illnesses on the recommendations of licensed veterinarians. FDA has asked for comments from interested persons by July 26, 1977.

Several types of antibiotics are used in animal feeds. Substitutes for tetracyclines and penicillins are available. However, it is not clear how effective or efficient these substitutes are relative to tetracyclines or penicillin.

In the poultry industry, for example, continued use of other antibiotics such as bacitracin or tylosin, should provide reasonable performance in weight gain and feed conversion. Comparable information is not available for beef and swine.

It is also possible that for both livestock and poultry use of other feed additive compounds and improvements in management sanitation practices or housing facilities would provide benefits similar to the use of tetracyclines and penicillin.

On the other hand, a total ban on subtherapeutic use of antibiotics and substitutes would result in higher costs to producers through increased feed costs and reduced feed efficiency. If sustained, higher producer costs could lead to reduced poultry and livestock production and higher consumer meat prices. *George Allen and Bob Bohall, (202) 447-8229*

New Frozen Dessert Standards To Reduce Milk Use in Ice Cream

New Food and Drug Standards for frozen desserts, which were scheduled to go into effect this month, will no longer require ice cream products to contain a minimum of 10 percent nonfat milk solids. Instead, manufacturers would have to meet a 2.7-percent protein minimum using any "safe and suitable" milk-derived ingredients they choose.

Given expected prices between the various ingredients, manufacturers would probably substitute cheaper whey products (byproducts of cheese manufacturing) and casein (the protein component of milk). The result could be a small drop—perhaps 2½ percent—in the average retail price for ice cream products and some expansion in the market for frozen desserts.

The new standards would likely result in a sharp decline in the use of nonfat dry milk in ice cream. In 1975, about 423 million pounds of nonfat dairy milk went into ice cream and other frozen dessert products. Up to about 70 percent of that total—293 million pounds—could conceivably be lost to substitutes under the new regulations. Whey products might account for 254 million pounds of the displacement and casein for another 39 million.

The Government is already holding large stocks of nonfat dry milk—and these would likely build further as a result of the new regulations. It is estimated that the Government might end up acquiring an additional 146 million pounds of nonfat dry milk in the first year after the regulations take effect, and this could increase to 293 million pounds a year by 1980.

The revised standards were scheduled to go into effect on June 13, but that date has been delayed to allow for a Food and Drug Administration response to petitions and a possible public hearing. *John Hanes, (202) 447-8376*



Food and Marketing

Further increases in retail food prices are in prospect this summer, although the rate of increase is likely to slow from the earlier rapid pace. Third-quarter prices for food purchased in grocery stores likely will average about 2 percent above the second quarter, but continue around 7 percent above a year earlier.

Retail coffee prices are beginning to decline in many outlets and average prices will begin to subside this summer. However, the extremely high prices already attained by coffee and, to a lesser extent, by other imported foods and fish will continue to account for about half of the year-to-year rise in food prices this summer.

Fresh vegetable prices are expected to retreat further from last winter's high as supplies continue to increase seasonally. But prices for most fresh and processed fruits and vegetables are likely to remain above a year earlier. Retail prices for red meats, poultry, dairy products, and vegetable oil products are

expected to increase this summer, mostly reflecting seasonally higher prices at the farm for some major foods.

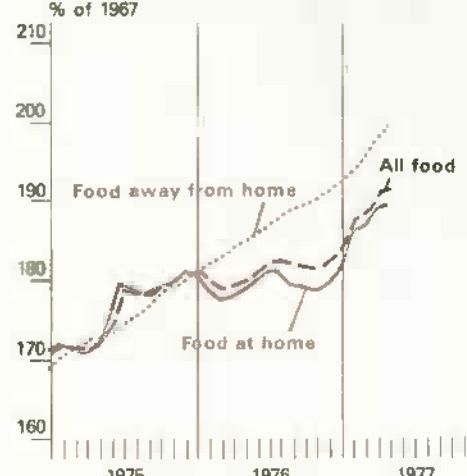
Modest price increases are also likely for cereal and bakery products and other highly processed foods, mainly reflecting costs in the processing and distributing of these foods. Prices for meals and snacks eaten away from home are expected to continue to rise this summer and average around 7 percent above a year earlier.

If weather remains generally favorable in this country and around the world, the rate of increase in retail food prices may slow further this fall. For all of 1977, grocery store food prices could average around 6 percent above 1976 with food prices by yearend averaging perhaps 8 or 9 percent higher, depending to a considerable extent on what happens to coffee and meat prices. Unfavorable weather this summer and fall would accelerate food price increases, but most of the impact would come late this year and in 1978.

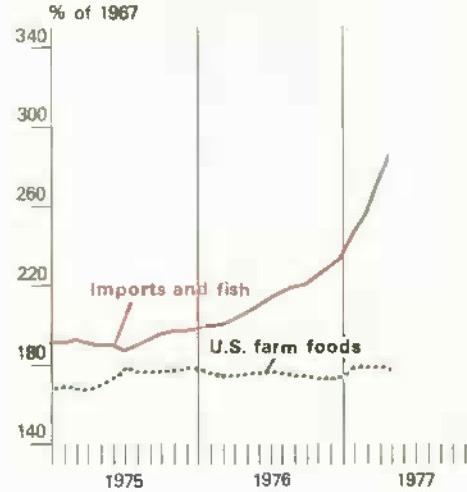
Food Price Rise Slows in May

The May Consumer Price Index (CPI) for food at home rose 0.3 percent from April compared with a 0.6-percent increase for all items-less-food. With food-away-from-home prices advancing nearly 1 percent, the CPI for all food averaged 0.4 percent above April. However, after seasonal adjustment, the May food price index was up 0.7 percent.

FOOD PRICE RISE THIS YEAR . . .



. . . CAUSED MAINLY BY HIGH PRICES OF IMPORTED FOODS, CHIEFLY COFFEE



A 10-percent increase for coffee along with smaller advances for fish, tea, and chocolate products contributed most to the May food price increase. Prices for U.S.-produced farm foods declined 0.6 percent from April. Beef and dairy product prices rose 1 percent, while fats and oils were up nearly 3 percent. But sharp declines for fresh vegetables and eggs were more than offsetting.

Compared with a year earlier,

the May all-food index was up 6.5 percent with away-from-home prices up 7.8 percent and grocery store prices up 6.2 percent. Higher prices for coffee and other imported foods and fish accounted for most of the year-to-year increase.

A 1-pound can of coffee in May cost 119 percent more than a year earlier while instant coffee prices were up 55 percent. Retail price increases for other major imported products—specifically tea, chocolate products, and bananas—ranged from 11 to nearly 18 percent while fish prices were up about a tenth.

Retail prices for U.S.-produced farm foods were only about 1½ percent above a year earlier. However, lower prices for red meats nearly offset steeply higher prices for fresh produce and smaller increases for most other major food categories.

Marketing Spreads Ease Off

Farm-retail price spreads for a market basket of foods from U.S. farms decreased 1½ percent from April to May for the first decrease this year. Price spreads were squeezed as the retail cost of market basket foods decreased 0.6 percent while returns to farmers increased almost 1 percent.

The market basket includes only foods produced on U.S. farms and sold through retail food stores; it excludes such foods as coffee, cocoa, fishery products, and meals eaten away from home.

Decreases in price spreads in May were sharpest for pork and poultry as increases in retail prices for these products lagged higher returns to farmers. In addition,

price spreads for fresh salad vegetables narrowed sharply as prices at both farm and retail also dropped from the extreme levels generated by the aftermath of last winter's severe weather. Spreads for eggs and fats and oils increased sharply in May, while spreads for other market basket foods changed relatively little.

Farm-retail spreads for farm foods averaged about 3 percent wider than a year earlier, with the retail cost of the market basket up around 1½ percent and the farm value down ½ percent.

The farmer's share of the consumer's food dollar spent in retail food stores for foods from U.S. farms was 39 cents in May, about the same as in April, but about 1 cent below a year earlier.

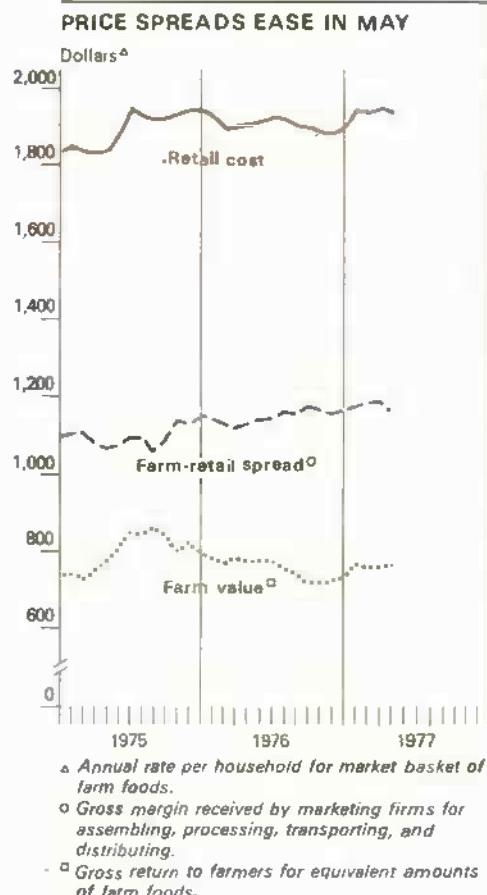
Farm-retail price spreads for fats and oils products, while 17 percent lower than a year ago in May, are on the rise following sharp increases in oilseed prices. Higher retail prices for oilseed products are projected in coming months, despite recent sharp decreases in wholesale oilseed prices. In May, retail prices averaged 9 percent higher than a year earlier and 11 percent higher than the low of last August.

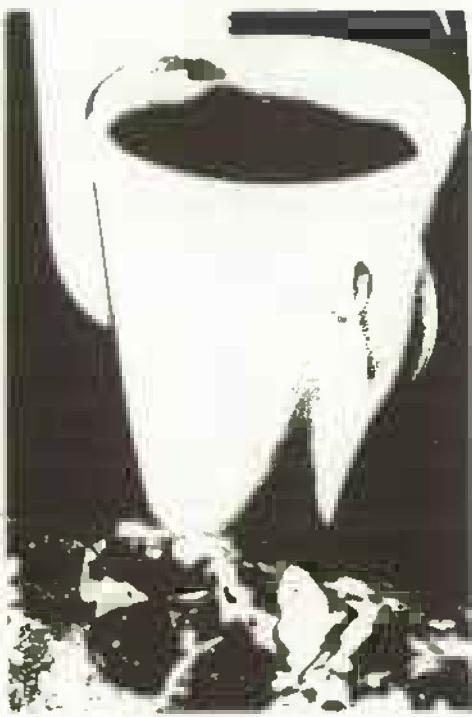
The farm value of fats and oils products, which increased in all but 3 of the past 12 months, averaged 78 percent higher than a year earlier in May. However, in the next few months, rising retail prices and weakening returns to farmers should boost the farm-retail spread considerably before retail prices respond to lower farm level prices. Because of lags in processing and distributing, it usually takes several months to curb the rise in retail prices following a rapid runup in oilseed prices.

Prices and farm-retail spreads for fresh vegetables dropped sharply in May as supplies became more abundant following the adverse weather of last winter. Despite these drops, retail prices for fresh vegetables in the farm food market basket stood 16 percent higher than a year earlier, farm values 19 percent higher, and marketing spreads 15 percent higher. With further decreases indicated for June, both prices and spreads should return closer to year-earlier levels.

Retail price drops from April to May included a 41-percent decrease for green peppers, with cucumbers down 33 percent, carrots and tomatoes around 15 percent, and lettuce 11 percent. Only prices for potatoes and celery were higher in May.

Henry Badger, (202) 447-8454





Coffee Prices: Peaking Out?

by Fred Gray
Commodity Economics Division
Economic Research Service

After hitting a peak of \$3.40 a pound in mid-April, coffee bean prices have been moving down fairly steadily. And while marketing lags may delay the peak in reported retail prices for a few more weeks, wholesale coffee prices are declining and some retail outlets are beginning to cut coffee prices.

In the face of rising prices, U.S. consumers have been drinking substantially less coffee. During January-March 1977, coffee consumption dropped to 3 pounds (green bean equivalent) per person, down more than half a pound from a year earlier. For all of 1977 per capita use may be down around a pound from last year's 12.8 pounds.

Roastings and imports will show significant declines, too. U.S. roastings were down around 20 percent from a year earlier for the first 5 months of 1977 as consumers resisted high retail prices. This and

the larger world crop have brought about a substantial decline in coffee bean prices and a turndown at the wholesale and retail level.

In view of the current stocks and barring freezes in Brazil, green prices may very well continue moving down over the next couple of months (the summer is a seasonally low consumption period) until U.S. roasters again enter the green market in volume in the fall.

While per capita coffee consumption has been trending down for a number of years, factors other than price have explained most of the drop. Robusta coffees in coffee blends—and the preference of young Americans for soft drinks over coffee—both played a part in the 3-pounds-per-person drop from the high of nearly 16 pounds in 1962.

Most studies show that the demand for coffee is relatively inelastic to price. But the runup in retail prices to a record \$3.74 per 1-lb. can in May (which was slightly more than double the year-earlier level) was large enough to produce a sizable cutback in consumption.

High coffee prices probably encouraged more people to switch to tea and soft drinks. For example, per capita tea consumption will likely increase further from 1976's eight-tenths pound (dry leaf basis). Moreover, soft drink use may rise around 5 percent to over 29 gallons (more than 300 12-ounce bottles or cans)—also partially benefitting from coffee's high prices.

World Crop Bouncing Back

The first estimate of the 1977/78 world coffee crop is for a total production of 70.4 million bags, an increase of 14 percent from the low 1976/77 outturn of 61.5 million bags, but still roughly a tenth less than average production during 1974/75-1975/76. Based on past performance, this first estimate has been within about 4 percent of the final estimate of production in 2 years out of 3.

The increase in the 1977/78 output is due largely to a partial

recovery in the Brazilian crop to an estimated 17 million bags—up about 80 percent from the 1976/77 production, but still well below pre-1975 frost levels of around 25 million bags.

Exportable production for 1977/78 is estimated at 52.8 million bags, compared with 44.3 million bags in 1976/77, and 55.4 million in 1975/76. (Exportable production represents total harvested production less estimated domestic consumption in producing countries.)

Some increase in 1977/78 is expected in most North American producing countries, notably Mexico, where output is forecast about one-fifth larger than in 1976/77. In South America, the big increase is in Brazil.

The frost recovery program in Brazil is progressing very well. Trees in nearly all producing areas, including the frost-damaged areas, are showing very good to excellent growth. However, since it takes at least 3 or 4 years for coffee trees to start bearing, it may take 2 or 3 years for production to return to normal pre-freeze averages of around 25 million bags annually. In recent years, Brazil has been planting trees in areas closer to the equator and less subject to frosts.

The Colombian crop also is expected to be up about 500,000 bags from the previous year. However, African production for 1977/78 is estimated 5 percent below the 1976/77 outturn. This is mainly due to poor prospects because of lack of rainfall in the Ivory Coast, the largest producer in Africa. Small increases are expected in principal producing countries of Asia and Oceania.

Statistical Indicators

Farm Income

Gross and net farm income¹

Items	Annual			1974		1975				1976				1977
	1974	1975	1976	III	IV	I	II	III	IV	I	II	III	IV	I
										\$ Bill.				
Cash receipts from farm marketings	92.6	89.6	94.8	89.3	91.7	80.0	91.1	96.5	90.8	92.4	101.8	93.8	91.3	95.9
Livestock and products	41.4	42.9	47.0	39.7	38.8	36.3	43.9	45.0	46.4	46.6	49.6	47.2	44.5	45.3
Crops	51.2	46.7	47.8	49.6	52.9	43.7	47.2	51.5	44.4	45.8	52.2	46.6	46.8	50.6
Nonmoney and other farm income ²	7.6	8.6	9.4	7.7	7.8	8.4	8.5	8.7	8.8	9.1	9.3	9.5	9.6	9.7
Realized gross farm income	100.2	98.2	104.2	97.0	99.5	88.4	99.6	105.2	99.6	101.5	111.1	103.3	100.9	105.6
Farm production expenses	72.4	75.5	80.9	72.7	72.8	73.4	76.1	76.8	75.7	79.0	82.5	81.5	80.6	83.1
Farmers' realized net income	27.8	22.7	23.3	24.3	26.7	15.0	23.5	28.4	23.9	22.5	28.6	21.8	20.3	22.5
Net change in farm inventories	-1.3	2.9	-1.3	0	-2.9	3.5	1.3	1.6	5.2	0	-3.0	-1.0	-1.0	.5
Farmers' total net income	26.5	25.6	22.0	24.3	23.8	18.5	24.8	30.0	29.1	22.5	25.6	20.8	19.3	23.0

¹ Quarterly data are seasonally adjusted at annual rates. All data subject to revision in July 1977. ² Includes government payments to farmers, value of farm products consumed in farm households, rental value of farm dwellings, and income from recreation, machine hire, and custom work.

Items	Annual			1976			1977			
	1974	1975	1976	Apr	Nov	Dec	Jan	Feb	Mar	Apr
							\$ Mil.			
Farm marketings and CCC loans ¹	92,648	89,563	94,793	6,611	9,811	8,503	8,699	6,569	6,538	6,248
Livestock and products	41,377	42,902	46,991	4,181	3,798	3,695	3,631	3,650	3,864	3,882
Meat animals	25,193	25,811	27,967	2,629	2,294	2,161	2,071	2,160	2,275	2,253
Dairy products	9,445	9,866	11,391	961	878	914	946	880	980	1,018
Poultry and eggs	6,253	6,739	7,100	542	587	562	574	572	573	563
Other	486	486	533	49	39	58	40	38	36	48
Crops	51,271	46,661	47,802	2,430	6,013	4,808	5,068	2,919	2,674	2,366
Food grains	8,762	8,347	6,661	337	310	271	369	201	175	172
Feed crops	13,958	12,513	13,216	677	1,561	1,379	1,687	975	800	641
Cotton (lint and seed)	2,893	2,372	3,383	72	833	823	701	222	139	93
Tobacco	2,097	2,155	2,270	18	250	321	208	49	103	32
Oil-bearing crops	9,817	7,920	9,201	413	1,581	862	1,290	669	578	487
Vegetables and melons	5,308	5,370	5,205	349	360	308	336	329	345	372
Fruits and tree nuts	3,424	3,548	3,518	186	385	301	199	220	215	192
Other	5,012	4,436	4,348	378	733	542	278	254	319	377
Government Payments	530	807	712	52	90	131	97	100	105	48
Total cash receipts ²	93,178	90,370	95,505	6,663	9,901	8,634	8,796	6,669	6,643	6,296

¹ Receipts from loans represent value of loans minus value of redemptions during the month. ² Details may not add because of rounding.

Farm marketing indexes (physical volume)

Items	Annual			1976			1977			
	1974	1975	1976	Apr	Nov	Dec	Jan	Feb	Mar	Apr
							1967=100			
All commodities	111	115	121	98	157	139	129	99	97	92
Livestock and products	104	106	113	114	120	124	107	105	111	111
Crops	121	128	132	77	209	158	159	91	78	64

Cash receipts¹ from farm marketings, by States, January-April

State	Livestock and Products		Crops ²		Total ²	
	1976	1977	1976	1977	1976	1977
\$ mil. ³						
NORTH ATLANTIC						
Maine	80.8	86.9	88.7	78.5	169.5	165.4
New Hampshire	19.1	17.7	6.8	7.8	25.9	25.5
Vermont	79.9	75.0	6.4	7.8	86.4	82.8
Massachusetts	37.3	37.8	32.8	34.7	70.1	72.5
Rhode Island	4.0	3.8	4.0	4.6	8.0	8.4
Connecticut	44.6	44.0	50.8	54.4	95.4	98.4
New York	407.5	395.6	136.3	163.5	543.8	559.2
New Jersey	38.7	37.3	36.8	40.3	75.5	77.6
Pennsylvania	430.4	437.9	160.2	190.8	590.6	628.7
NORTH CENTRAL						
Ohio	408.0	394.8	386.0	523.3	794.0	918.2
Indiana	443.4	416.8	469.0	672.0	912.4	1,088.9
Illinois	654.7	608.4	1,450.6	1,793.5	2,105.3	2,401.9
Michigan	270.7	258.2	274.7	234.1	545.4	492.3
Wisconsin	833.5	833.6	150.6	138.3	984.1	971.9
Minnesota	753.4	727.4	434.2	419.7	1,187.6	1,147.1
Iowa	1,398.0	1,293.6	823.7	1,089.2	2,221.8	2,382.8
Missouri	523.0	487.4	229.2	280.7	752.1	768.0
North Dakota	181.7	173.2	340.8	197.1	522.5	370.3
South Dakota	541.8	508.6	131.2	66.0	673.0	574.5
Nebraska	812.8	761.2	549.5	502.5	1,362.3	1,263.7
Kansas	673.6	608.4	498.2	380.0	1,171.8	988.4
SOUTHERN						
Delaware	54.4	55.5	14.0	16.7	68.4	72.2
Maryland	141.3	138.8	51.1	53.1	192.5	191.9
Virginia	174.1	213.2	65.0	62.2	239.1	275.4
West Virginia	30.3	28.5	11.6	16.5	42.0	45.0
North Carolina	335.7	341.6	113.2	155.5	448.9	497.1
South Carolina	96.9	93.0	75.1	95.0	172.1	188.0
Georgia	387.1	386.6	151.0	139.1	538.1	525.8
Florida	233.4	217.3	974.1	851.6	1,207.6	1,068.9
Kentucky	226.9	218.0	266.4	372.0	493.3	590.0
Tennessee	220.0	217.1	105.8	153.6	325.7	370.6
Alabama	297.3	292.9	100.9	122.8	398.2	415.7
Mississippi	242.2	242.8	229.9	272.8	472.1	515.6
Arkansas	332.0	351.7	271.0	220.8	603.1	572.6
Louisiana	128.5	129.8	177.4	185.0	305.9	314.8
Oklahoma	431.1	403.3	149.0	132.1	580.1	535.4
Texas	1,100.7	1,056.3	712.8	958.7	1,813.5	2,015.0
WESTERN						
Montana	106.9	102.5	178.0	118.8	285.0	221.3
Idaho	186.9	173.2	209.2	191.8	396.1	365.0
Wyoming	58.8	54.6	34.9	13.7	93.7	68.3
Colorado	510.8	472.6	142.5	118.3	653.3	590.9
New Mexico	135.2	126.5	39.9	34.7	175.1	161.2
Arizona	183.6	173.0	220.4	207.7	404.0	380.8
Utah	75.9	70.6	25.8	20.4	101.7	91.0
Nevada	34.8	32.5	15.8	17.3	50.6	49.9
Washington	170.7	164.2	312.0	299.0	482.7	463.1
Oregon	119.8	113.1	157.5	136.6	277.3	249.7
California	950.8	928.1	1,179.2	1,124.3	2,130.0	2,052.3
Alaska	1.3	1.4	.2	.2	1.6	1.6
Hawaii	20.2	20.1	58.3	58.3	78.4	78.3
UNITED STATES						
Grand Total	15,624.6	15,026.7	12,302.6	13,027.4	27,927.2	28,054.1

¹ Estimates as of the first of current month. ² Sales of farm products include receipts from loans reported minus value of redemptions during the period. ³ Rounded data may not add.

Supply and Utilization: Crops and Livestock

Supply-utilization indexes of farm commodities¹

Year	Supply			Utilization												
	Production	Imports ²	Stocks ³	Domestic use				Exports and shipments ⁴								
				Total use	Food		Non-food		Total domestic use							
1967=100																
All commodities indexes ⁵																
1967	100.0	100.0	100.0	100.0	100.0	100.0	—	100.0	100.0	100.0						
1968	101.2	111.8	101.6	102.0	102.4	98.1	—	101.4	102.2	100.5						
1969	101.2	101.6	103.9	101.4	104.4	83.6	—	97.1	103.1	90.7						
1970	99.4	103.5	105.2	104.0	105.9	70.2	—	90.3	103.4	107.7						
1971	107.6	106.7	99.4	106.1	108.4	62.6	—	90.9	105.5	109.4						
1972	106.4	114.9	103.8	109.1	110.0	49.8	—	87.0	106.1	127.5						
1973	109.0	112.4	102.4	112.4	106.7	39.2	—	90.0	103.4	168.8						
1974	106.9	101.9	98.7	111.0	109.3	34.1	—	82.5	104.7	150.5						
1975	117.6	100.9	91.9	111.0	108.8	40.6	—	79.6	104.1	154.7						
1976	119.9	107.6	102.3	116.5	113.9	36.3	—	85.5	109.2	162.4						
Livestock commodities																
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0						
1968	100.6	114.1	123.9	102.4	102.2	100.0	97.4	109.6	102.2	106.8						
1969	100.9	110.6	110.5	102.6	103.1	85.5	100.4	101.6	102.6	103.9						
1970	103.4	114.4	95.8	104.5	105.9	71.6	97.2	91.2	104.4	107.9						
1971	106.0	102.8	102.4	106.7	108.6	61.4	97.0	76.1	106.2	128.2						
1972	105.5	113.9	99.1	107.1	109.3	49.3	101.0	74.6	106.6	127.1						
1973	100.5	116.1	87.9	101.7	104.5	37.0	99.8	62.0	101.5	112.4						
1974	105.3	93.9	94.8	105.4	109.0	32.0	96.5	58.7	105.3	107.4						
1975	103.7	91.8	102.2	104.6	107.6	38.2	94.3	63.5	104.2	120.5						
1976	110.5	105.8	82.3	110.7	113.7	33.4	102.2	60.8	109.8	145.6						
Crop commodities																
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0						
1968	102.9	111.1	100.8	102.4	103.0	90.8	104.1	99.6	102.9	99.8						
1969	104.4	98.8	103.6	102.9	107.3	76.3	108.4	96.1	105.9	89.2						
1970	100.6	100.2	105.5	106.1	105.8	64.9	111.5	90.1	105.7	107.6						
1971	111.5	107.9	99.3	108.1	108.0	67.2	113.9	94.1	108.2	107.3						
1972	112.8	115.2	104.0	114.7	111.6	51.9	120.6	89.7	111.8	127.5						
1973	119.8	111.3	102.9	122.7	111.5	47.3	116.7	96.1	111.1	175.1						
1974	110.0	104.3	98.8	115.7	109.9	42.0	111.4	87.6	106.8	155.3						
1975	122.2	103.7	91.6	111.7	111.5	49.6	98.5	83.0	101.3	158.4						
1976	122.4	108.3	103.0	117.2	114.6	47.3	105.6	90.9	106.7	164.3						
Percentage of annual utilization																
All commodities ⁵																
1967	89.8	11.1	.9	100.0	74.6	1.7	—	10.0	86.3	13.7						
1968	89.1	12.1	-1.2	100.0	75.0	1.6	—	9.9	86.5	13.5						
1969	89.6	11.1	-.7	100.0	76.8	1.4	—	9.5	87.7	12.3						
1970	85.9	11.0	3.1	100.0	76.1	1.1	—	8.6	85.8	14.2						
1971	91.2	11.1	-2.3	100.0	76.4	1.0	—	8.5	85.9	14.1						
1972	87.6	11.7	.7	100.0	75.3	.8	—	7.9	84.0	16.0						
1973	87.1	11.1	1.8	100.0	70.8	.6	—	8.0	79.4	20.6						
1974	86.5	10.1	3.3	100.0	73.5	.5	—	7.4	81.4	18.6						
1975	95.0	10.1	-5.1	100.0	73.2	.6	—	7.1	80.9	19.1						
1976	92.5	10.2	-2.7	100.0	73.1	.5	—	7.3	80.9	19.1						
Livestock commodities																
1967	96.3	4.5	-.8	100.0	89.9	2.3	2.3	3.1	97.6	2.4						
1968	94.6	5.0	.4	100.0	89.8	2.2	2.1	3.3	97.5	2.5						
1969	94.7	4.8	.5	100.0	90.4	1.9	2.2	3.1	97.6	2.4						
1970	95.3	4.9	-.2	100.0	91.1	1.6	2.1	2.7	97.5	2.5						
1971	95.6	4.3	.1	100.0	91.5	1.3	2.0	2.2	97.1	2.9						
1972	94.9	4.8	-.3	100.0	91.9	1.1	2.1	2.1	97.2	2.8						
1973	95.1	5.1	-.2	100.0	92.5	.8	2.2	1.9	97.4	2.6						
1974	96.2	4.0	-.2	100.0	93.1	.7	2.1	1.7	97.6	2.4						
1975	95.5	3.9	.6	100.0	92.5	.8	2.0	1.9	97.2	2.7						
1976	96.1	4.3	-.4	100.0	92.4	.7	2.1	1.7	96.9	3.1						

See footnotes at end of table.

Supply-utilization indexes of farm commodities¹

Year	Supply			Total use	Utilization						Exports and shipments ⁴		
	Production	Imports ²	Stocks ³		Domestic use			Non-food					
					Civilian	Military	Seed and feed	Other					
Crop commodities													
1967	88.0	12.6	.0.7	100.0	33.7	0.5	35.5	12.1	81.8	18.2			
1968	88.5	13.7	-2.2	100.0	34.0	.5	36.1	11.7	82.3	17.7			
1969	89.3	12.1	-1.4	100.0	35.1	.4	37.4	11.3	84.2	15.8			
1970	83.5	11.9	4.6	100.0	33.7	.3	37.3	10.2	81.5	18.5			
1971	90.8	12.6	-3.4	100.0	33.7	.3	37.4	10.5	81.9	18.1			
1972	86.6	12.7	.7	100.0	32.9	.2	37.3	9.4	79.8	20.2			
1973	86.0	11.4	2.6	100.0	30.8	.2	33.7	9.4	74.1	25.9			
1974	83.7	11.4	4.9	100.0	32.1	.2	34.2	9.1	75.6	24.4			
1975	96.3	11.7	-8.0	100.0	33.7	.2	31.3	9.0	74.2	25.8			
1976	91.9	11.7	-3.6	100.0	33.1	.2	31.9	9.3	74.6	25.5			

¹ Quantities weighted by constant farm prices. Domestic use allocated on basis of value of Processed Products. ² Includes shipments from U.S. Territories. ³ Farm (other than live animals), commercial, and Government program holdings January 1 indexes (1967=100) derived by applying annual changes to January 1961 level. Percentage of utilization represents stock changes. Negatives indicate stock increases; positives signify withdrawals. ⁴ Includes shipments to U.S. Territories. ⁵ Seed and feed omitted from total commodities to avoid double counting of use through livestock.

Supply-utilization farm equivalent aggregates¹

Year	Supply			Total use	Utilization						Exports and shipments		
	Production	Imports	Stock changes ²		Domestic use			Non-food					
					Civilian	Military	Seed and feed	Other					
\$ Mil. All commodities													
1967	33,870	4,171	-330	37,711	28,158	628	—	3,754	32,540	5,171			
1968	34,271	4,663	-471	38,463	28,842	616	—	3,807	33,265	5,198			
1969	34,291	4,236	-279	38,248	29,388	525	—	3,646	33,559	4,689			
1970	33,681	4,317	1,211	39,209	29,811	441	—	3,390	33,642	5,567			
1971	36,471	4,450	-926	39,995	30,535	393	—	3,411	34,339	5,656			
1972	36,049	4,794	289	41,132	30,963	313	—	3,265	34,541	6,591			
1973	36,924	4,689	774	42,387	30,031	246	—	3,380	33,657	8,730			
1974	36,212	4,249	1,404	41,865	30,774	214	—	3,096	34,084	7,781			
1975	39,817	4,210	-2,156	41,871	30,632	255	—	2,987	33,874	7,997			
1976	40,600	4,490	-1,166	43,924	32,086	228	—	3,211	35,525	8,399			
Livestock commodities													
1967	20,889	970	-166	21,693	19,518	497	492	669	21,176	517			
1968	21,004	1,107	93	22,204	19,943	497	479	733	21,652	552			
1969	21,078	1,073	102	22,253	20,117	425	494	680	21,716	537			
1970	21,608	1,110	-46	22,672	20,670	356	478	610	22,114	558			
1971	22,136	997	23	23,156	21,202	305	477	509	22,493	663			
1972	22,040	1,105	78	23,223	21,325	245	497	499	22,566	657			
1973	20,992	1,126	48	22,070	20,399	184	491	415	21,489	581			
1974	21,998	911	-51	22,858	21,276	159	475	393	22,303	555			
1975	21,671	890	138	22,699	20,997	190	464	425	22,076	623			
1976	23,078	1,026	-90	24,014	22,185	166	503	407	23,261	753			
Crop commodities													
1967	22,525	3,230	-164	25,591	8,640	131	9,081	3,085	20,937	4,654			
1968	23,173	3,586	-564	26,195	8,899	119	9,457	3,074	21,549	4,646			
1969	23,522	3,192	-381	26,333	9,271	100	9,844	2,966	22,181	4,152			
1970	22,650	3,237	1,257	27,144	9,141	85	10,129	2,780	22,135	5,009			
1971	25,121	3,484	-949	27,656	9,333	88	10,340	2,902	22,663	4,993			
1972	25,419	3,721	211	29,351	9,638	68	10,945	2,766	23,417	5,934			
1973	26,986	3,595	822	31,403	9,632	62	10,595	2,965	23,254	8,149			
1974	24,771	3,370	1,455	29,596	9,498	55	10,114	2,703	22,370	7,226			
1975	27,523	3,350	-2,294	28,579	9,635	65	8,943	2,562	21,205	7,374			
1976	27,574	3,497	-1,076	29,995	9,901	62	9,582	2,804	22,349	7,646			

¹ Quantities weighted by 1957-59 farm prices. ² Negatives indicate stock increases, positives signify withdrawals.

Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

Items	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
1967=100										
Prices Received										
All farm products	192	185	186	191	178	183	187	190	191	194
All crops	224	201	197	198	190	198	203	211	214	214
Food grains	300	242	201	218	157	160	163	160	157	148
Feed grains and hay	243	230	218	229	199	207	208	210	206	202
Feed grains	249	232	214	223	193	201	201	202	199	192
Cotton	228	183	265	255	281	277	284	310	301	298
Tobacco	148	162	164	158	175	173	172	172	174	174
Oil-bearing crops	232	197	205	181	237	245	252	276	314	319
Fruit	141	138	132	141	121	119	122	131	141	165
Fresh market ¹	136	135	133	141	123	110	113	124	136	164
Commercial vegetables	143	162	161	136	161	203	225	227	191	170
Fresh market	152	173	172	130	172	235	267	270	199	185
Potatoes ²	290	214	201	241	156	168	179	182	203	244
Livestock and products	165	172	177	185	169	170	174	171	172	176
Meat animals	165	169	170	187	156	158	163	162	165	175
Dairy products	166	175	192	184	193	192	190	187	187	185
Poultry and eggs	163	179	178	176	184	183	192	183	177	168
Prices Paid										
Commodities and services										
Interest, taxes, and wage rates	164	180	192	191	193	198	200	201	204	204
Production items	166	182	193	193	193	196	199	201	204	205
Feed	194	187	191	187	193	197	200	202	204	205
Feeder livestock	148	134	154	168	143	142	153	158	166	166
Interest payable per acre on farm real estate debt	229	271	303	303	303	328	328	328	328	328
Taxes on farm real estate	154	166	176	176	176	186	186	186	186	186
Wage rates (seasonally adjusted)	178	192	210	209	206	229	229	229	224	224
Production items, interest, taxes, and wage rates	170	187	199	199	199	204	207	209	211	212
Prices received (1910-14=100)	481	463	465	477	446	457	468	474	477	487
Prices paid, etc. (Parity index) (1910-14=100)	558	614	653	650	657	673	679	685	692	694
Parity ratio	86	76	71	73	68	68	69	69	69	70

¹ Fresh market for noncitrus and fresh market and processing for citrus. ² Includes sweetpotatoes and dry edible beans.

Prices received by farmers, U.S. average

Commodities	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Crops										
All wheat (\$/bu.)	4.48	3.68	3.14	3.43	2.39	2.43	2.47	2.43	2.37	2.19
Rice, rough (\$/cwt.)	13.94	10.12	6.90	7.06	6.57	6.79	6.87	6.81	6.95	7.30
Corn (\$/bu.)	2.92	2.70	2.49	2.61	2.24	2.34	2.34	2.35	2.31	2.25
Sorghum (\$/cwt.)	4.59	4.31	4.01	4.14	3.51	3.59	3.51	3.55	3.44	3.18
All hay, baled (\$/ton)	49.10	51.40	58.00	64.10	59.00	60.90	62.70	63.90	63.20	68.10
Soybeans (\$/bu.)	6.42	5.24	5.58	4.87	6.56	6.81	7.06	7.83	9.05	9.21
Cotton, Upland (cts./lb.)	51.3	41.2	59.9	57.5	63.1	62.3	63.9	69.8	67.8	67.2
Potatoes (\$/cwt.)	5.70	4.04	4.13	5.11	3.06	3.40	3.56	3.71	4.10	5.20
Dry edible beans (\$/cwt.)	32.30	20.30	16.50	16.90	14.50	14.10	16.00	14.50	16.60	16.90
Apples for fresh use (cts./lb.)	10.9	11.5	10.2	8.6	11.3	11.1	11.1	12.0	12.1	12.0
Pears for fresh use (\$/ton) ¹	200	169	184	229	173	159	145	123	114	113
Oranges, all uses (\$/box) ²	1.99	1.77	1.79	2.31	1.17	.82	.86	1.46	2.09	2.45
Grapefruit, all uses (\$/box) ²	1.63	1.75	1.74	1.87	1.47	1.13	1.85	1.10	1.10	1.23
Livestock										
Beef cattle (\$/cwt.)	35.80	32.20	33.70	37.10	32.40	32.30	33.10	33.80	34.90	36.10
Calves (\$/cwt.)	38.60	26.90	34.10	38.80	32.80	33.70	35.60	36.60	38.10	38.50
Hogs (\$/cwt.)	34.30	47.60	43.00	47.60	36.30	38.00	39.30	37.10	36.00	40.70
Lambs (\$/cwt.)	37.40	42.10	46.90	60.10	44.70	48.50	49.50	49.20	51.00	55.50
All milk, sold to plants (\$/cwt.)	8.34	8.78	9.66	9.25	9.72	9.65	9.54	9.43	9.43	9.34
Milk, manuf. grade (\$/cwt.)	7.15	7.71	8.58	8.33	8.53	8.48	8.41	8.46	8.66	8.60
Broilers (cts./lb.)	21.8	26.2	23.1	24.6	19.3	21.5	24.0	24.3	24.3	24.3
Eggs (cts./doz.) ³	53.0	52.8	58.8	54.7	69.5	65.1	66.2	58.8	55.3	49.1
Turkeys (cts./lb.)	28.8	33.6	31.7	32.1	33.5	32.4	32.5	34.2	33.6	33.2
Wool (cts./lb.) ⁴	59.1	44.7	65.7	65.1	69.5	75.1	73.0	75.6	72.9	75.1

¹ Eleven month average. ² Equivalent on-tree returns. ³ Average of all eggs sold by farmers, including hatching eggs and eggs sold at retail. ⁴ Average local market price, excluding incentive payments.

Wholesale and Retail Prices

Wholesale Price Index, U.S. average (not seasonally adjusted)

Commodity group	Annual			1976		1977				
	1974	1975	1976*	May *	Dec *	Jan	Feb	Mar	Apr	May
1967=100										
All commodities	160.1	174.9	182.9	181.9	187.1	188.0	190.0	191.9	194.3	195.2
Industrial commodities	153.8	171.5	182.3	180.5	187.4	188.4	189.9	191.6	193.2	194.2
All foods ¹	174.4	186.0	178.9	182.1	178.5	179.2	183.0	184.8	187.0	190.5
Farm products and processed foods and feeds	177.4	184.2	183.1	184.8	183.9	184.8	188.4	190.9	195.9	196.8
Farm products	187.7	186.7	191.1	192.6	191.6	193.5	199.0	202.4	208.1	204.3
Fruits and vegetables ²	192.3	183.7	178.6	179.0	174.4	198.4	212.6	219.1	205.6	201.8
Grains	257.9	223.9	205.9	213.5	180.6	184.9	185.8	183.4	184.4	171.2
Livestock	170.6	187.8	173.3	186.9	166.1	166.0	166.2	163.5	167.9	180.2
Poultry, live	157.4	189.8	166.9	174.3	145.7	153.7	183.7	177.2	182.3	183.1
Fibers, plant and animal	193.9	153.1	223.9	201.5	239.5	216.5	240.1	252.4	249.5	238.6
Milk	172.8	180.2	201.7	194.2	202.8	200.2	198.4	195.2	197.7	198.3
Eggs	160.6	159.8	179.0	171.5	213.6	189.2	194.8	173.5	165.2	144.4
Oilseeds	232.2	198.5	204.2	181.2	238.2	241.2	244.1	272.5	330.8	300.5
Processed foods and feeds	170.9	182.6	178.0	179.9	179.0	179.3	181.9	183.9	188.5	192.0
Meats	159.6	188.7	173.6	182.8	167.9	153.3	163.4	160.5	159.6	172.1
Beef and veal	158.6	176.3	156.0	162.0	156.1	146.4	149.1	147.1	151.7	162.5
Pork	162.3	214.7	201.4	212.6	190.5	186.3	183.6	178.7	167.7	184.6
Poultry	157.3	184.1	166.2	171.8	149.6	154.8	179.2	174.7	179.9	178.5
Fish	204.6	218.7	272.4	279.9	292.1	305.4	300.2	296.8	306.0	294.9
Dairy	146.4	155.8	168.4	167.3	167.3	166.8	166.9	168.1	173.6	174.2
Processed fruits and vegetables	154.6	169.8	170.4	168.0	175.8	175.4	182.9	184.2	185.6	185.8
Cereal and bakery products	171.2	178.0	172.1	173.2	168.6	168.4	189.9	171.5	171.6	172.0
Sugar and confectionery	258.9	254.3	190.9	208.7	170.5	171.9	177.6	180.2	186.4	184.4
Beverages	140.7	162.4	173.4	172.4	183.8	184.1	189.3	199.5	202.0	206.0
Vegetable oil end products	224.8	211.5	174.2	173.4	178.3	177.9	182.7	187.8	206.3	214.1
Textile Products and apparel	139.1	137.9	148.0	147.3	149.5	150.3	151.1	152.1	153.7	154.0
Apparel	129.5	133.4	139.9	138.4	142.9	144.8	145.6	146.0	146.4	146.6
Hides, leather, and related products	145.1	148.5	167.4	170.1	171.5	174.5	176.7	177.6	180.1	181.9
Footwear	140.0	147.8	158.4	156.8	163.9	164.5	165.9	166.7	167.7	168.2
Lumber and wood products	183.6	176.8	205.5	202.4	219.9	222.7	224.2	228.7	229.6	229.3
Tobacco products	132.8	149.6	163.0	161.9	172.3	174.7	174.8	174.8	175.1	175.3

¹ Includes all processed food (except soft drinks, alcoholic beverages, and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from farm products group. ² Fresh and dried. *Data have been revised for January-November 1976. Annual 1976 and December 1976 will be revised next month.

Consumer Price Index, U.S. average (not seasonally adjusted)

Items	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
1967=100										
Consumer price index, all items	147.7	161.2	170.5	169.2	174.3	175.3	177.1	178.2	179.6	180.6
Consumer Price Index, less food	143.7	157.1	167.5	166.0	172.2	172.9	174.0	175.1	176.3	177.3
All food	161.7	175.4	180.8	180.0	181.7	183.4	187.7	188.6	190.9	191.7
Food away from home	159.4	174.3	186.1	184.8	190.9	192.2	193.6	195.2	197.5	199.3
Food at home	162.4	175.8	179.5	178.8	179.3	181.2	186.2	186.9	189.3	189.8
Meats ³	164.1	177.9	178.2	180.6	167.4	169.9	171.3	170.8	170.1	171.3
Beef and veal	168.5	170.0	164.5	167.1	160.7	162.1	161.5	160.7	161.2	162.8
Pork	161.0	196.9	199.5	201.9	174.7	180.1	185.1	184.1	181.7	182.0
Poultry	146.9	162.4	155.7	155.3	144.0	144.5	152.9	158.3	157.7	157.6
Fish	187.7	203.3	227.3	225.1	237.6	238.0	241.1	241.5	244.0	248.8
Eggs	160.8	157.8	172.4	154.5	193.8	197.9	207.9	179.5	166.0	152.8
Dairy products ²	151.9	156.6	169.3	167.4	171.4	171.3	171.1	171.2	171.4	173.1
Fats and oils ³	179.4	198.6	173.7	170.6	177.3	178.8	179.5	180.7	183.5	188.5
Fruits and vegetables	165.8	171.0	175.4	176.4	175.5	177.6	194.7	196.8	203.0	195.1
Fresh	162.6	166.1	170.2	171.7	171.4	174.9	203.6	205.4	214.3	200.8
Processed	170.6	178.3	183.0	183.3	181.4	181.5	181.6	184.0	186.1	186.7
Cereals and bakery products	166.1	184.8	180.6	180.8	179.3	179.9	180.0	181.3	182.6	182.5
Sugar and sweets	195.2	246.2	218.2	219.5	211.1	212.7	219.2	222.8	226.4	230.1
Beverages, nonalcoholic	155.6	178.9	214.0	203.3	246.9	257.6	273.8	286.4	311.4	334.6
Apparel commodities less footwear	135.7	140.6	144.9	144.2	149.2	146.5	147.4	148.1	148.6	149.7
Footwear	138.1	144.2	149.9	149.6	153.4	153.2	154.4	155.4	156.2	157.0
Tobacco products	143.8	153.9	160.5	160.1	163.7	165.4	165.8	166.0	166.1	166.2
Beverages, alcoholic	131.8	142.1	146.8	146.6	148.8	148.8	148.8	149.3	149.8	150.3

¹ Beef, veal, lamb, mutton, pork, and processed meat. ² Includes butter. ³ Excludes butter.

Farm-Retail Price Spreads

Farm-retail price spreads

Commodities	Annual			1976p ¹		1977p				
	1974	1975	1976p	May	Dec	Jan	Feb	Mar	Apr	May
Market basket²:										
Retail cost (1967=100)	161.9	173.6	176.4	175.2	173.0	174.3	178.6	178.3	179.1	178.0
Farm value (1967=100)	178.3	187.1	178.8	181.2	171.1	172.6	181.1	178.0	179.1	180.5
Farm-retail spread (1967=100)	151.5	165.1	173.2	171.4	174.2	175.4	177.0	178.5	179.1	176.4
Farmer's share (%)	43	42	40	40	38	38	39	39	39	39
Beef, choice:										
Retail price ³ (cts./lb.)	138.8	146.0	138.9	141.7	138.9	137.5	134.6	133.2	134.0	138.4
Carcass value ⁴ (cts.)	97.4	105.5	88.6	92.1	90.8	87.1	85.6	83.3	88.1	93.4
Net farm value (cts./2.28 lbs.)	86.1	92.9	77.9	81.2	79.8	75.1	74.8	73.1	78.6	82.8
Farm-retail spread (cts.)	52.7	53.1	61.0	60.5	59.1	62.4	59.8	60.1	55.4	55.6
Carcass-retail spread ³ (cts.)	41.4	40.5	50.3	49.6	48.1	50.4	49.0	49.9	45.9	45.0
Farm-carcass spread ⁴ (cts.)	11.3	12.6	10.7	10.9	11.0	12.0	10.8	10.2	9.5	10.6
Farmer's share (%)	62	64	56	57	57	55	56	55	59	60
Pork:										
Retail price ³ (cts./lb.)	108.2	135.0	134.3	138.6	117.2	119.6	121.1	121.0	118.9	120.9
Wholesale value ⁴ (cts.)	77.4	103.8	93.6	101.4	83.9	85.2	85.0	82.1	80.2	86.8
Net farm value (cts./1.97 lbs.)	60.8	86.9	78.4	88.2	67.5	69.8	70.9	65.9	64.5	73.8
Farm-retail spread ³ (cts.)	47.4	48.1	55.9	50.4	49.7	49.8	50.2	55.1	54.4	47.1
Carcass-retail spread ³ (cts.)	30.8	31.2	40.7	37.2	33.3	34.4	36.1	38.9	38.7	34.1
Farm-carcass spread ⁴ (cts.)	16.6	16.9	15.2	13.2	16.4	15.4	14.1	16.2	15.7	13.0
Farmer's share (%)	56	64	58	64	58	58	59	54	54	61
Milk, fresh:										
Retail price (cts./½ gal.)	78.4	78.5	82.7	82.1	83.6	83.5	83.6	83.5	83.4	83.5
Farm value (cts./4.39 lbs. Class I)	40.8	41.2	46.2	45.5	45.0	45.0	44.9	44.3	44.0	44.9
Farm-retail spread (cts.)	37.6	37.3	36.5	36.6	38.6	38.5	38.7	39.2	39.4	38.6
Farmer's share (%)	52	52	56	55	54	54	54	53	53	54
Chicken, frying:										
Retail price (cts./lb.)	56.0	63.2	59.7	59.4	54.3	54.7	58.8	61.3	61.2	60.7
Farm value (cts./1.41 lbs. broilers)	31.6	37.0	32.8	32.0	28.1	27.9	31.9	34.0	33.7	35.4
Farm-retail spread (cts.)	24.4	26.2	26.9	27.4	26.2	26.8	26.9	27.3	27.5	25.3
Farmer's share (%)	56	59	55	54	52	51	54	55	55	58
Eggs, large grade A										
Retail price (cts./doz.)	78.3	77.0	84.1	75.8	96.3	98.6	103.4	89.0	81.2	75.4
Farm value (cts./1.03 doz.)	53.2	50.8	58.0	50.5	70.8	66.8	71.5	56.8	56.3	46.7
Farm-retail spread (cts.)	25.1	26.2	26.1	25.3	25.5	31.8	31.9	32.2	24.9	28.7
Farmer's share (%)	68	66	69	67	74	68	69	64	69	62
Bread, white:										
Retail price (cts./lb.)	34.5	36.0	35.3	35.3	35.2	35.4	35.3	35.2	35.7	35.5
Farm value (cts./0.867 lb. wheat)	5.4	4.5	3.8	4.2	2.8	2.7	2.8	2.9	2.7	2.5
Farm value (cts. for all farm ingredients)	7.9	6.8	5.6	6.1	4.4	4.4	4.6	4.7	4.6	4.4
Farm-retail spread (cts.)	26.6	29.2	29.7	29.2	30.8	31.0	30.7	30.5	31.1	31.1
Farmer's share (%)	23	19	16	17	12	12	13	13	13	12
Lettuce:										
Retail price (cts./head)	42.3	41.7	47.7	44.9	43.3	46.8	48.4	43.2	46.6	41.4
Farm value (cts./1.88 lbs.)	13.2	13.8	17.1	11.3	14.0	20.9	16.2	15.5	10.4	10.3
Farm-retail spread (cts.)	29.1	27.9	30.6	33.6	29.3	25.9	32.2	27.7	36.2	31.1
Farmer's share (%)	31	33	36	25	32	45	33	36	22	25
Potatoes:										
Retail price (cts./10 lbs.)	166.6	134.4	145.9	165.9	122.2	120.9	142.0	144.8	148.2	166.5
Farm value (cts./10.42 lbs.)	59.4	42.2	43.8	53.2	41.7	35.4	37.1	38.6	42.7	54.1
Farm-retail spread (cts.)	107.2	92.2	102.1	112.7	80.5	85.5	104.9	106.2	105.5	112.4
Farmer's share (%)	36	31	30	32	34	29	26	27	29	32
Tomatoes:										
Retail price (cts./lb.)	54.8	57.9	57.7	60.2	64.7	62.4	82.6	70.9	90.0	77.3
Farm value (cts./1.18 lbs.)	21.0	23.8	23.8	16.3	24.8	26.8	38.2	37.5	31.2	27.0
Farm-retail spread (cts.)	33.8	34.1	33.9	43.9	39.9	35.6	44.4	33.4	58.8	50.3
Farmer's share (%)	38	41	41	27	38	43	46	53	35	35
Orange juice, frozen concentrate:										
Retail price (cts./6-oz. can)	25.9	28.2	28.7	29.2	28.0	28.0	28.8	32.1	33.1	33.9
Farm value (cts./3.08 lbs.)	9.2	8.6	10.7	11.0	11.0	10.1	9.3	8.9	9.0	9.7
Farm-retail spread (cts.)	16.7	19.6	18.0	18.2	17.0	17.9	19.5	23.2	24.1	24.2
Farmer's share (%)	36	30	37	38	39	36	32	28	27	29
Margarine:										
Retail price (cts./lb.)	57.4	62.9	52.6	51.5	53.0	53.0	52.9	53.2	53.9	56.1
Farm value (cts. for veg. oil and NFOM)	27.8	21.1	16.5	13.4	18.0	17.3	19.6	22.9	24.7	25.3
Farm-retail spread (cts.)	29.6	41.8	36.1	38.1	35.0	35.7	33.3	30.3	29.2	30.8
Farmer's share (%)	48	34	31	26	34	33	37	43	46	45

¹ Some 1976 monthly retail prices were adjusted to January 1977 benchmark level. ² For a market basket of U.S. farm foods representing the average quantities purchased annually per household in 1960-61. Retail prices are from Bureau of Labor Statistics unless otherwise noted. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods. ³ Composite monthly average prices of all cuts adjusted for volume sold at special prices derived from BLS and food chain prices. ⁴ For a quantity equivalent to 1 lb. retail cuts: Beef, 1.41 lb. of carcass beef (yield grade 3); Pork, 1.07 lb. of wholesale cuts. ⁵ Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. ⁶ Represents charges made for livestock marketing, processing, and transportation to city where consumed. p Preliminary.

Livestock and Products: Prices, Supplies, and Use

Livestock and products output and prices

Output	1975		1976					1977				
	Annual	I	II	III	IV	Annual	I	II ¹	III ¹	IV ¹	Annual ¹	
Beef (mil. lb.)	23,673	6,492	6,145	6,618	6,412	25,667	6,329	6,100	6,200	6,100	24,730	
Change (pct.) ²	+4	+11	+10	+11	+2	+8	-2	-1	-6	-5	-4	
Pork (mil. lb.)	11,314	2,896	2,782	2,951	3,590	12,219	3,276	3,150	3,000	3,450	12,880	
Change (pct.) ²	-17	-5	-5	+18	+27	+8	+13	+13	+2	-4	+5	
Veal (mil. lb.)	827	206	178	205	224	813	211	165	150	165	690	
Change (pct.) ²	+87	+24	-2	-12	.9	.2	+2	-7	-27	-26	-15	
Lamb and mutton (mil. lb.)	399	95	82	92	92	361	90	85	89	85	350	
Change (pct.) ²	-12	-6	-15	-12	-6	-10	-5	+5	-4	-8	-3	
Red meats (mil. lb.)	36,213	9,689	9,187	9,866	10,318	39,060	9,906	9,500	9,439	9,800	38,650	
Change (pct.) ²	-3	+6	+4	+12	+9	+8	+2	+3	-4	-5	-1	
Broilers (mil. lb.)	7,966	2,116	2,314	2,372	2,186	8,988	2,156	2,430	2,490	2,300	9,380	
Change (pct.) ²	+1	+15	+12	+14	+10	+13	+2	+5	+5	+5	+4	
Turkeys (mil. lb.)	1,715	207	369	710	664	1,950	210	375	690	665	1,940	
Change (pct.) ²	-7	+24	+28	+14	+5	+14	+1	+2	-3	0	-1	
Total meats (mil. lb.)	45,894	12,012	11,870	12,948	13,168	49,998	12,272	12,305	12,619	12,765	49,970	
Change (pct.) ²	-4	+8	+7	+13	+9	+9	+2	+4	-3	-3	0	
Eggs (mil. doz.)	5,362	1,358	1,344	1,342	1,360	5,404	1,330	1,355	1,365	1,385	5,435	
Change (pct.) ²	-2	+1	+1	0	0	+1	-2	+1	+1.5	+2	+1	
Milk (bil. lb.)	115.3	29.2	32.4	30.2	28.6	120.4	29.8	33.1	30.5	29.1	122.5	
Change (pct.) ²	0	+4	+4	+6	+4	+4	+2	+2	+1	+2	+2	
Total livestock and products (1974=100)	98.7	101.8	104.4	107.9	107.0	105.3	103.3	107.2	106.5	105.6	105.6	
Change (pct.) ²	.13	+6.3	+5.2	+9.1	+6.2	+6.7	+1.5	+2.7	-1.3	-1.3	+3.3	
Prices												
Choice steers, Omaha (\$ per cwt.)	44.61	38.71	41.42	37.30	39.00	39.11	37.88	40.50	42.44	43.45	—	
Barrows and gilts, 7-markets (\$ per cwt.)	48.32	47.99	49.19	43.88	34.25	43.11	39.08	41.00	43.45	39.41	—	
Slaughter lambs, choice, San Angelo (\$ per cwt.)	44.45	51.50	58.63	43.54	45.81	49.87	52.98	56.00	47.49	48.50	—	
Broilers, 9-city wholesale (cts. per lb.) ³	45.1	42.2	41.7	41.5	35.5	40.2	40.9	42.5	43.45	40.42	—	
Turkeys, N.Y., wholesale (cts. per lb.) ⁴	53.2	49.3	48.2	48.5	49.0	48.8	50.2	51.5	53.55	53.55	—	
Eggs, cartoned, Grade A large, N.Y. (cts. per doz.)	63.9	68.0	63.1	71.8	78.4	70.3	74.9	57.5	63.65	68.70	—	
Milk, all at farm (\$ per cwt.)	8.78	9.90	9.24	9.68	9.92	9.68	9.54	9.45	9.80-10.00	10.20-10.50	—	
Livestock prices received by farmers (1967=100)	172	181	185	175	165	177	172	176	188	184	—	

¹ Forecast. ² Change from year-earlier. ³ Weighted average. ⁴ 8-16 pound young hens.

Dairy:

Items	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Milk production:										
Total milk (mil. lb.)	115,553	115,326	120,356	11,108	9,678	9,910	9,351	10,562	10,741	10,295
Milk per cow (lb.)	10,300	10,352	10,893	1,006	877	899	849	960	977	1,029
Number of milk cows (thou.)	11,219	11,140	11,049	11,047	11,032	11,023	11,013	11,003	10,989	10,978
Milk prices, Minnesota-Wisconsin, 3.5% fat (\$/cwt.) ¹	7.06	7.62	8.48	8.30	8.25	8.19	8.16	8.31	8.60	8.62
Price of 16% dairy ration (\$/ton)	138	134	141	137	145	147	151	148	148	152
Milk-feed price ratio (lb.) ²	1.34	1.40	1.53	1.49	1.55	1.50	1.48	1.47	1.46	1.44
Stocks, beginning										
Total milk equiv. (mil. lb.) ³	5,207	5,886	3,844	4,846	5,815	5,708	6,207	6,588	7,006	7,725
Commercial (mil. lb.)	4,732	5,576	3,719	4,763	5,621	5,299	5,388	5,403	5,529	5,976
Government (mil. lb.)	476	310	124	83	194	410	819	1,185	1,478	1,749
Imports, total milk equiv. (mil. lb.) ³	2,923	1,669	1,938	118	366	251	114	116	115	—
USDA net removals:										
Total milk equiv. (mil. lb.) ³	1,346	2,036	1,236	14.7	592.5	846.3	882.7	416.8	601.6	1,043.2
Butter:										
Production (mil. lb.)	961.7	983.8	978.6	91.4	92.5	105.6	96.2	98.4	100.4	—
Stocks, beginning (mil. lb.)	46.4	49.2	10.9	44.0	47.3	47.1	67.6	94.3	106.4	128.5
Wholesale price, Grade A Chicago (cts./lb.)	65.7	79.4	92.0	89.9	90.8	90.8	90.8	92.7	100.1	100.7
USDA net removals (mil. lb.)	32.7	63.4	39.4	43.7	20.0	32.4	31.5	11.6	25.9	43.7
Commercial disappearance (mil. lb.)	929.9	951.0	919.0	66.5	82.8	72.0	53.8	83.7	65.3	—
American cheese:										
Production (mil. lb.)	1,858.6	1,654.6	2,062.4	207.8	169.1	166.8	158.8	183.4	193.8	—
Stocks, beginning (mil. lb.)	290.3	420.9	307.8	333.9	414.1	411.4	417.1	403.5	422.5	447.5
Wholesale price, Wisconsin assembly pt. (cts./lb.)	79.9	86.6	96.3	94.9	92.8	92.6	92.6	93.8	97.9	97.9
USDA net removals (mil. lb.)	60.3	68.2	38.0	14.0	18.0	17.8	23.3	17.8	6.6	14.0
Commercial disappearance (mil. lb.)	1,780.6	1,717.1	1,934.5	164.8	163.4	149.8	154.0	157.6	162.9	—
Other cheese:										
Production (mil. lb.)	1,078.8	1,156.8	1,274.1	107.7	112.0	98.0	95.2	115.8	108.1	—
Stocks, beginning (mil. lb.)	67.5	73.1	60.8	60.2	67.9	67.1	68.7	67.1	64.5	64.0
Commercial disappearance (mil. lb.)	1,276.5	1,331.9	1,460.7	118.8	146.6	112.0	106.7	130.8	119.8	—
Nonfat dry milk:										
Production (mil. lb.)	1,019.9	1,001.5	926.2	105.5	73.7	71.5	72.3	87.5	107.1	—
Stocks, beginning (mil. lb.)	74.6	293.2	468.9	443.1	479.7	480.6	461.6	469.5	465.4	520.9
Wholesale price, avg. manf. (cts./lb.)	58.6	63.3	63.5	62.8	62.5	62.4	62.3	62.8	65.3	—
USDA net removals (mil. lb.)	265.0	394.5	157.1	16.0	17.6	24.8	21.3	2.4	37.3	63.0
Commercial disappearance (mil. lb.)	809.9	697.0	724.0	67.5	51.6	53.0	54.0	91.2	42.6	—
Frozen dessert production (mil. gal.) ⁴	1,128.0	1,183.9	1,152.7	103.0	73.6	69.9	75.7	101.1	98.0	—

¹ Manufacturing grade milk. ² Pounds of ration equal in value to 1 lb. of milk. ³ Milk equivalent, fat-solids basis. ⁴ Ice cream, ice milk, and sherbet.

Poultry and eggs:

Items	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Eggs										
Farm production (mil.)	65,927	64,379	64,849	5,476	5,545	5,470	4,936	5,551	5,363	5,477
Average number of layers on farms (mil.)	286	277	276	271	281	280	277	275	272	269
Rate of lay (eggs per layer)	231	233	235	20.2	19.7	19.6	17.8	20.2	19.7	20.4
Cartoned price, New York, grade A large (cts./doz.) ¹	64.5	63.9	70.3	63.5	83.9	81.0	76.2	67.4	61.4	55.1
Price of laying feed (\$/ton)	153.8	147.2	151.2	146	153	156	161	161	163	166
Egg-feed price ratio (lb.) ²	7.0	7.0	7.8	7.5	9.1	8.3	8.2	7.3	6.8	5.9
Stocks, beginning of period										
Shell (thou. cases)	34	36	22	26	25	28	29	44	42	42
Frozen (mil. lb.)	43.2	54.2	36.3	29.7	25.5	26.1	26.9	24.9	24.7	25.4
Replacement chicks hatched (mil.)	473.4	453.8	492.2	48.2	36.6	40.2	41.3	51.0	54.8	52.5
Broilers										
Federally Inspected slaughter, certified (mil. lb.)	7,917	7,966	8,987	745.4	716.8	713.8	659.2	783.2	744.9	—
Wholesale price, 9-city, (cts./lb.)	38.2	45.1	40.2	42.1	35.0	38.8	42.1	41.9	41.4	42.2
Price of broiler grower feed (\$/ton)	168.6	163.4	168.3	161	174	174	178	179	183	187
Broiler-feed price ratio (lb.) ¹	2.6	3.2	2.8	3.1	2.2	2.5	2.7	2.7	2.7	2.6
Stocks, beginning of period (mil. lb.)	33.4	37.2	22.3	19.1	29.1	32.9	27.4	24.6	26.6	24.8
Average weekly placements of broiler chicks, 21 States (mil.)	56.5	57.7	63.6	68.2	61.2	63.6	64.8	69.5	71.7	71.9
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	1,835.8	1,716.1	1,950.1	106.5	146.4	70.5	58.7	80.3	78.9	—
Wholesale price, New York, 8-16 lb.										
Young hens (cts./lb.)	47.2	53.2	48.7	48.9	50.6	48.7	49.7	52.3	53.6	50.8
Price of turkey grower feed (\$/ton)	172.7	166.8	173.5	165	179	182	186	188	195	200
Turkey-feed price ratio (lb.) ¹	3.2	4.2	3.7	3.9	3.7	3.6	3.5	3.6	3.4	3.3
Stocks, beginning of period (mil. lb.)	281.0	275.0	195.2	114.5	298.8	203.4	190.2	167.8	142.3	130.3
Poults hatched (mil.)	140.0	137.1	149.5	20.3	7.6	10.8	12.7	18.1	19.5	21.0

¹ Price of cartoned eggs to volume buyers for delivery to retailers; wholesale price series discontinued June 1. ² Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

Meat animals:

Items	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Cattle on feed (7-States)										
Number on feed (thou. head) ¹	9,353	6,369	8,537	7,513	8,000	8,213	7,873	7,556	7,280	7,196
Placed on feed (thou. head) ²	15,861	18,095	18,975	1,326	1,769	1,369	1,362	1,526	1,658	1,599
Marketings (thou. head)	17,380	14,988	18,177	1,470	1,473	1,602	1,567	1,690	1,564	1,489
Other disappearance (thou. head)	1,465	939	1,133	100	94	107	112	112	178	253
Beef steer-corn price ratio, Omaha (bu.) ³	13.7	15.8	15.2	14.8	17.4	16.1	16.0	15.9	17.5	19.0
Hog-corn price ratio, Omaha (bu.) ³	11.3	16.9	16.5	17.7	16.4	16.4	16.8	15.9	16.0	18.8
Commercial slaughter (thou. head)										
Cattle	36,812	40,911	42,654	3,242	3,510	3,546	3,299	3,616	3,272	3,299
Steers	19,680	17,819	18,879	1,498	1,488	1,539	1,488	1,711	1,603	1,607
Heifers	8,798	10,438	12,158	921	969	1,021	934	1,023	920	910
Cows	7,514	11,557	10,619	739	979	919	808	806	677	706
Bulls and stags	820	1,098	998	84	74	67	69	76	72	76
Calves	2,987	5,209	5,350	366	490	478	443	519	445	419
Sheep and lambs	8,847	7,835	6,714	448	551	514	474	595	562	492
Hogs	81,762	68,687	73,784	5,337	6,880	6,117	6,096	7,545	6,658	6,134
Commercial production (mil. lb.)										
Beef	22,844	23,673	25,667	1,969	2,113	2,160	1,981	2,188	1,990	1,991
Veal	442	827	813	56	77	77	63	71	59	61
Lamb and mutton	454	399	361	23	31	29	27	34	31	25
Pork	13,583	11,314	12,219	880	1,147	1,007	1,013	1,256	1,120	1,044
Market prices										
Dol. per 100 pounds										
Slaughter cattle:										
Choice steers, Omaha	41.89	44.61	39.11	40.62	39.96	38.38	37.98	37.28	40.08	41.98
Utility cows, Omaha	25.56	21.09	25.31	30.24	21.62	22.95	23.88	26.67	27.63	26.57
Choice vealers, S. St. Paul	49.63	40.44	45.18	44.95	49.58	53.12	54.88	56.26	52.88	54.92
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	37.88	33.91	39.40	44.21	36.23	36.49	37.86	38.95	41.81	41.72
Slaughter hogs:										
Barrows and gilts, No. 1 & 2, Omaha ⁴	36.85	50.12	44.70	49.78	39.03	40.45	41.08	38.11	37.64	42.60
Barrows and gilts, 7-markets	35.12	48.32	43.11	48.89	38.05	39.52	40.18	37.53	36.97	41.79
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	25.13	44.80	36.24	44.57	24.04	23.84	33.24	38.58	41.49	40.91
Slaughter sheep and lambs ⁵ :										
Lambs, Choice, San Angelo	40.51	44.45	49.87	62.12	47.69	52.00	51.25	55.70	59.62	55.56
Ewes, Good, San Angelo	15.74	15.34	17.69	19.75	16.88	20.75	19.25	22.15	18.19	16.62
Feeder lambs:										
Choice, San Angelo	36.52	41.40	51.28	59.56	51.19	53.56	54.81	56.25	59.19	51.38
Wholesale meat prices, Midwest ⁶ :										
Choice steer beef, 600-700 lb.	67.76	72.55	61.00	63.56	62.52	60.04	58.92	57.12	60.54	64.44
Canner and Cutter cow beef	53.48	42.90	52.00	59.12	47.60	49.66	51.09	56.05	56.42	53.31
Pork loins, 8-14 lb.	73.60	92.69	86.45	94.67	73.37	85.32	80.66	72.36	72.44	83.14
Pork bellies, 12-14 lb.	52.04	78.52	65.27	73.04	45.71	51.62	52.08	48.91	55.23	57.10
Hams, skinned, 14-17 lb.	64.11	84.06	79.79	82.86	84.56	69.15	72.82	75.13	63.70	70.39
Annual			1976			1977				
1974	1975	1976	I	I	III	IV	I	II	III	

¹ Beginning of period. ² Other disappearance excluded in 1973; not comparable with 1974 and 1975. ³ Bushels of corn equal in value to 100 pounds liveweight.

⁴ 220-240 lb. ⁵ Prior to Oct. 1975, Chicago; annual 1975 midwest markets. ⁶ Annual is Dec. preceding year to Nov. listed; quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). ⁷ Intentions.

Wool:

	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
U.S. wool price, Boston ¹ (cts./lb.)	176	150	182	172	188	188	188	182	182	179
Imported wool price, Boston ² (cts./lb.)	213	176	214	210	222	224	222	226	227	225
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	74,856	94,117	106,629	8,756	8,984	8,221	8,253	10,008	7,944	N.A.
Carpet wool (thou. lb.)	18,595	15,908	15,117	1,024	1,491	1,212	1,051	1,491	925	N.A.

¹ Wool Price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2 1/2" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. ² Wool price delivered at U.S. mills, clean basis, Australian 64's, type 7B, including duty (25.5 cents). Prior to January 1976 reported as: Australian 64's combing, excluding duty. ³ No quotations reported. N.A. Not available

Crops and Products: Prices, Supplies, and Use

Supply and utilization of major crops¹

Commodity	1975/76	Domestic measure ²				Metric measure ²				
		1976/77 estimated		1977/78 Projected*		1975/76		1976/77 estimated		
		Favorable	Unfavorable	Favorable	Unfavorable	Favorable	Unfavorable	Favorable	Unfavorable	
Wheat:										
Area										
Planted	75.1	80.2	—	—	—	30.4	32.5	—	—	
Harvested	69.6	70.8	—	—	—	28.2	28.7	—	—	
Yield per harvested unit										
	30.7	30.3	—	—	—	2.1	2.0	—	—	
Beginning stocks										
Production	435	664	1,105	1,105	—	11.8	18.1	30.1	30.1	
Imports	2,135	2,147	2,150	1,900	—	58.1	58.4	58.5	51.7	
Supply, total	2,572	2,813	3,257	3,007	—	70.0	76.6	88.6	81.8	
Domestic	735	758	918	845	—	20.0	20.6	25.0	23.0	
Exports	1,173	950	900	1,100	—	31.9	25.9	24.5	29.9	
Use, total	1,908	1,708	1,818	1,945	—	51.9	46.5	49.5	52.9	
Ending stocks	664	1,105	1,439	1,062	—	18.1	30.1	39.1	28.9	
Price received by farmers										
	3.55	3.285	2.25-2.35	2.40-2.80	—	130.44	104.72	83.86	88-103	
Price, Kansas City, No. 1 HRW	3.74	2.88	—	—	—	137.42	105.82	—	—	

¹ Marketing year beginning June 1 for wheat. ² Conversion factors: Hectare (ha.)=2,471 acres; 1 metric ton=2,204.622 pounds or 36.7437 bushels of wheat. ³ Season average estimate.

*Based primarily on favorable and unfavorable growing conditions this summer in the United States and abroad.

Feed grains:

	Marketing year ¹			1976		1977				
	1973/74	1974/75	1975/76	May	Dec	Jan	Feb ²	Mar	Apr	
									May	
Wholesale prices:										
Corn, No. 2 yellow, Chicago (\$/bu.)										
Corn, No. 2 yellow, Kansas City (\$/cwt.)	2.95	3.12	2.75	2.84	2.44	2.53	2.54	2.52	2.50	
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	4.64	5.04	4.46	4.49	3.77	3.91	3.85	3.75	3.62	
Barley, feed, Minneapolis (\$/bu.)	2.03	2.58	2.38	2.50	2.05	2.20	2.35	2.29	2.28	
Barley, malting, Minneapolis (\$/bu.) ²	2.67	4.16	3.52	3.22	2.95	3.00	2.91	2.98	2.91	
Exports:										
Corn (mil. bu.)	1,243	1,149	1,711	154	137	128	120	151	142	
Feed grains (mil. short tons) ³	44.5	39.4	55.1	4.6	4.7	4.4	4.4	5.0	4.6	
Marketing year¹										
	1973/74	1974/75	1975/76	Jan-Mar	Apr-May	June-Sept	Dct-Dec	Jan-Mar	Apr-May	June-Sept
Corn:										
Stocks, beginning (mil. bu.)	709	483	359	4,449	2,823	1,861	398	4,861	3,273	2,351
Domestic use:										
Feed (mil. bu.)	4,183	3,191	3,558	1,101	551	769	1,135	1,060	543	—
Food, seed, ind. (mil. bu.)	448	450	491	120	92	162	121	128	97	—
Feed grains: ³										
Stocks, beginning (mil. short tons)	33.9	23.7	16.8	152.5	95.6	62.8	30.0	163.1	108.7	77.0
Domestic use:										
Feed (mil. short tons)	153.3	115.6	127.6	39.1	19.1	27.4	40.5	36.1	18.4	—
Food, seed, ind. (mil. short tons)	17.6	17.7	18.8	4.5	4.0	6.1	4.4	4.7	4.2	—

¹ Beginning October 1 for corn and sorghum; June 1 for oats and barley. ² No. 3 or better, 70% or better plump. ³ Aggregated data for corn, sorghum, oats, and barley.

Food grains:

	Marketing year ¹			1976		1977				
	1973/74	1974/75	1975/76	May	Dec	Jan	Feb	Mar	Apr	May
Wholesale prices:										
Wheat, No. 1 HRW, Kansas City (\$/bu.) ²	4.51	4.20	3.74	3.57	2.64	2.70	2.73	2.63	2.52	2.36
Wheat, DNS, Minneapolis (\$/bu.) ²	4.42	4.57	3.74	3.56	2.70	2.79	2.87	2.82	2.75	2.59
Flour, Kansas City (\$/cwt.)	10.30	10.19	9.25	8.71	6.84	6.76	6.81	6.52	6.20	5.84
Flour, Minneapolis (\$/cwt.)	10.60	11.40	10.41	10.08	7.84	7.75	7.86	7.72	7.12	6.92
Rice, S.W. La. (\$/cwt.) ²	30.40	21.50	17.20	16.60	13.60	13.25	13.50	13.95	15.65	16.45
Wheat:										
Exports (mil. bu.)	1,217	1,018	1,173	73	60	54	65	60	79	72
Mill grind (mil. bu.)	551	538	572	47	47	49	48	54	46	—
Wheat flour production (mil. cwt.)	247	239	255	21	21	21	21	24	21	—

	Marketing year ¹			1976				1977		
	1973/74	1974/75	1975/76	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
Wheat:										
Stocks, beginning (mil. bu.)	599	339	430	1,385	936	664	2,186	1,780	1,388	1,109
Domestic use:										
Food (mil. bu.)	530	521	559	140	89	188	144	139	—	—
Feed and seed (mil. bu.) ⁴	221	169	170	62	29	39	42	77	—	—
Exports (mil. bu.)	1,217	1,018	1,173	247	154	399	220	179	152	—

¹ Beginning June 1 for wheat and August 1 for rice. ² Ordinary protein. ³ Long-grain, milled basis. ⁴ Feed use approximated by residual.

Vegetables:

	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Wholesale prices:										
Potatoes, white, f.o.b. East (\$/cwt.)	6.74	5.30	5.90	7.17	4.88	6.07	6.37	6.41	8.10	7.16
Iceberg lettuce (\$/ctn.) ¹	2.82	2.71	3.57	2.33	2.82	2.58	2.78	3.76	2.06	2.85
Tomatoes (\$/ctn.) ²	5.41	5.81	6.44	5.73	6.73	6.15	7.30	—	9.16	7.38
Wholesale price index, 10 canned veg. (1967=100)	146	168	160	158	171	170	163	162	174	175
Grower price index, fresh commercial veg. (1967=100)	152	173	172	140	172	235	267	270	199	189

¹ Std. carton 24's, f.o.b. shipping point. ² 2 layers, 5 x 6-6 x 6, f.o.b. Fla.-Cal.

Fruit:

	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Wholesale price indexes:										
Fresh fruit (1967=100)	144.0	157.8	160.4	152.7	162.3	172.1	174.3	183.2	173.6	187.9
Dried fruit (1967=100)	247.3	213.4	234.9	210.3	356.7	356.7	356.7	356.7	357.2	357.2
Canned fruit and juice (1967=100)	159.7	173.8	174.4	171.2	180.0	178.7	184.8	186.1	187.7	188.6
Frozen fruit and juice (1967=100)	144.0	156.5	156.2	161.9	147.4	144.2	186.1	184.7	184.7	184.7
F.o.b. shipping point prices:¹										
Apples, Yakima Valley (\$/ctn.) ²	n.a.	n.a.	n.a.	6.07	8.45	8.51	8.94	n.a.	n.a.	n.a.
Pears, Yakima Valley (\$/box) ³	n.a.	n.a.	n.a.	n.a.	6.50	6.18	6.13	5.83	n.a.	n.a.
Oranges, U.S. avg. (\$/box)	6.79	6.76	6.71	5.93	6.65	5.91	7.48	7.33	7.36	7.08
Grapefruit, U.S. avg. (\$/box)	5.55	6.18	5.78	6.00	5.95	5.39	7.04	6.27	6.28	6.15
Stocks, beginning:										
Fresh apples (mil. lb.)	2,074.2	2,214.1	2,569.3	765.8	2,769.5	2,249.0	1,775.9	1,335.2	912.8	605.1
Fresh pears (mil. lb.)	128.6	170.4	162.2	35.7	280.3	211.6	178.0	132.2	94.2	51.8
Frozen fruit (mil. lb.)	516.3	607.3	558.3	344.7	550.7	537.8	499.0	459.4	419.4	378.3
Frozen fruit juices (mil. lb.)	853.4	883.0	967.0	1,354.8	849.7	844.1	916.9	1,075.8	1,195.7	1,224.5

¹ Annual prices are seasonal average ending with year listed. ² Red Delicious, regular storage, Washington extra fancy, carton tray pack, 80-125's. ³ D'Anjou pears, regular storage, Washington wrapped, U.S. No. 1, 90-135's. n.a. not available.

Cotton:

	Marketing year ¹			1976		1977				
	1973/74	1974/75	1975/76	May	Dec	Jan	Feb	Mar	Apr	May
U.S. price, SLM, 1-1/16 in. (cts./lb.)²										
Northern Europe prices:	67.1	41.7	58.0	62.1	73.1	67.0	72.2	75.8	73.7	70.7
Index (cts./lb.) ³	76.3	52.5	65.3	70.4	84.0	78.7	83.8	86.4	85.3	81.2
U.S., SM 1-1/16 in. (cts./lb.) ⁴	78.3	56.4	71.4	75.4	84.7	78.9	85.0	88.1	86.1	83.1
U.S. mill consumption (thou. bales)	7,448.4	5,833.7	7,227.7	559.5	597.9	524.0	542.2	674.6	524.4	—
Exports (thou. bales)	6,123.0	3,925.9	3,311.3	313.2	394.3	371.6	534.7	563.6	575.3	—

¹ Beginning August 1. ² Average spot market. ³ Liverpool Outlook "A" index; average of five lowest priced of 10 selected growths. ⁴ Memphis territory growths.

Fats and oils:

	Marketing year ¹			1976		1977				
	1973/74	1974/75	1975/76	May	Dec	Jan	Feb	Mar	Apr	May
Soybeans:										
Wholesale price, No. 1 yellow, Chicago (\$/bu.)	6.12	6.33	5.25	5.21	6.86	7.08	7.25	8.33	9.74	9.50
Crushings (mil. bu.)	821.3	701.3	865	79.6	72.7	72.2	71.6	74.4	67.2	61.2
Processing margin (\$/bu.) ²	.72	.17	.16	.11	.20	.17	.25	.08	.26	.21
Exports (mil. bu.)	539.1	420.7	555	49.5	56.7	50.9	59.9	58.4	57.0	55.1
Soybean oil:										
Wholesale price, crude, Decatur (cts./lb.)	31.5	30.7	18.3	15.8	21.0	20.9	22.4	26.5	29.6	31.3
Production (mil. lb.)	8,994.7	7,376.2	9,630	869.8	805.7	786.7	791.2	823.7	747.3	681.4
Domestic disappearance (mil. lb.)	7,255.4	6,518.5	7,906	657.1	660.1	563.9	684.1	698.2	640.3	—
Exports (mil. lb.)	1,435.2	1,028.3	976	161.2	85.2	107.1	96.7	240.7	113.8	217.0
Stocks, beginning (mil. lb.)	515.5	793.5	561	1,060.9	1,432.0	1,488.1	1,599.5	1,609.4	1,486.4	1,471.5
Soybean meal:										
Wholesale price, 44% protein, Decatur (\$/ton)	146.35	130.86	147.77	152.25	197.60	207.00	211.00	226.20	275.60	258.25
Production (thou. ton)	19,674.4	16,701.5	20,754	1,890.8	1,741.3	1,725.1	1,709.2	1,771.0	1,596.0	1,453.7
Domestic disappearance (thou. ton)	13,766.3	12,501.3	15,552	1,403.7	1,344.6	1,231.4	1,356.9	1,142.5	1,189.1	1,020.7
Exports (thou. ton)	5,547.6	4,298.8	5,145	380.1	464.8	457.4	305.4	636.7	368.0	473.9
Stocks, beginning (thou. ton)	183.2	507.3	358	358.8	427.7	353.9	384.7	429.9	412.6	449.2
Margarine, wholesale price, Chicago (cts./lb.)	44.3	37.9	31.4	30.8	33.0	33.8	34.0	39.5	42.5	44.3

¹ Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year 1974, 1975 and 1976 for margarine. ² Spot basis, Illinois shipping points.

Sugar:

	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Wholesale price, N.Y. (\$/cwt.) ¹	29.50	22.47	13.31	15.97	10.22	10.95	11.06	11.67	12.57	11.34
U.S. deliveries (thou. short tons) ^{1, 2}	11,237	9,974	³ 10,859	928	826	828	761	³ 1,017	³ 896	³ 868

¹ Raw value. ² Excludes Hawaii. ³ Preliminary.

Tobacco:

	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Prices at auctions:										
Flue-cured (cts./lb.)	105.0	99.8	110.6	—	—	—	—	—	—	—
Burley (cts./lb.)	111.5	104.9	113.2	—	114.4	113.2	112.8	110.2	105.5	—
Domestic consumption ¹										
Cigarettes (bil.)	576.2	588.3	² 619.1	50.4	43.7	49.0	49.1	53.4	—	—
Large cigars (mil.)	6,306	5,771	² 5,362	433.5	489.3	306.7	406.4	478.1	—	—

¹ Taxable removals. ² Subject to revision.

Coffee:

	Annual			1976		1977p				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Composite green price, N.Y. (cts./lb.)	67.95	71.76	142.48	138.93	207.85	227.89	251.20	324.59	333.49	295.95
Imports, green bean equivalent (mil. lb.) ¹	2,751	2,849	2,838	223	265	282	248	275	268	n.a.
 Roastings (mil. lb.) ²										
	1974	1975	1976	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
Roastings (mil. lb.) ²	2,456	2,454	2,522	627	612	742	659	510	611	629

¹ Green and processed coffee. ² Instant soluble and roasted coffee. p Preliminary, n.a. not available.

Transportation Data

Rail rates, grain and fruit and vegetable shipments

	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Rail freight rate index ¹										
All products (1969=100)	149.7	169.4	186.6	187.1	191.6	198.0	198.0	198.2	198.3	198.2
Farm products (1969=100)	145.3	165.0	182.7	183.2	187.7	190.0	190.0	190.2	190.3	190.4
Food products (1969=100)	148.9	168.5	185.1	186.1	189.5	194.6	194.5	194.9	194.9	193.9
Rail carloadings of grain (thou. cars) ²	28.2	25.8	25.5	21.7	19.8	22.3	25.0	24.5	22.3	20.3
Barge shipments of grain (mil. bu.) ³	19.8	23.0	30.4	38.1	25.1	20.3	15.3	31.4	30.4	34.4
Fresh fruit and vegetable shipments										
Rail (thou. carlots) ⁴	4.6	3.8	3.2	3.6	1.8	2.1	2.2	2.2	2.2	2.3
Truck (thou. carlots) ⁴	12.6	14.3	16.2	18.8	14.6	13.8	11.5	12.7	14.3	18.2

¹ Department of Labor, Bureau of Labor Statistics. ² Weekly average: from Association of American Railroads. ³ Weekly average: from Agricultural Marketing Service, USDA. ⁴ Preliminary data for 1976 and 1977.

General Economic Data

Gross national product and related data

Items	Annual			1975			1976				1977	
	1974	1975	1976	II	III	IV	I	II	III	IV	I	
\$ Bil. (Quarterly data seasonally adjusted at annual rates)												
Gross national product ¹	1,413.2	1,516.3	1,691.6	1,482.3	1,548.7	1,588.2	1,636.2	1,675.2	1,709.8	1,745.1	1,799.3	
Personal consumption expenditures	887.5	973.2	1,079.7	960.3	987.3	1,012.0	1,043.6	1,064.7	1,088.5	1,122.0	1,159.1	
Durable goods	121.6	131.7	156.5	127.0	136.0	141.8	151.4	155.0	157.6	162.0	174.0	
Non durable goods	376.2	409.1	440.4	405.8	414.6	421.6	429.1	434.8	441.8	456.0	464.7	
Clothing and shoes	65.1	70.0	75.4	69.3	71.3	73.0	73.5	73.2	75.9	79.0	78.9	
Food and beverages	189.9	209.5	224.4	207.8	211.8	215.2	219.2	223.1	225.2	230.2	236.4	
Services	389.6	432.4	482.8	427.4	436.7	448.6	463.2	474.9	489.1	504.0	520.4	
Gross private domestic investment	215.0	183.7	239.6	164.4	196.7	201.4	229.6	239.2	247.0	242.8	267.9	
Fixed investment	204.3	198.3	227.7	194.3	198.6	205.7	214.7	223.2	231.9	241.0	254.1	
Nonresidential	149.2	147.1	160.0	145.8	146.1	148.7	153.4	157.9	163.0	165.6	173.9	
Residential	55.1	51.2	67.7	48.6	52.6	57.0	61.3	65.3	68.9	75.5	80.2	
Change in business inventories	10.7	-14.6	11.9	-30.0	-2.0	-4.3	14.8	16.0	15.1	1.7	13.8	
Net exports of goods and services	7.5	20.5	6.6	24.4	21.4	21.0	8.4	9.3	4.7	4.2	-6.2	
Exports	144.4	148.1	162.7	142.9	148.2	153.7	154.1	160.3	167.7	168.5	171.4	
Imports	136.9	127.6	156.0	118.5	126.8	132.7	145.7	151.0	163.0	164.3	177.6	
Government purchases of goods and services	303.3	339.0	365.6	333.2	343.2	353.8	354.7	362.0	369.6	376.2	378.5	
Federal	111.6	124.4	133.4	122.4	124.6	130.4	129.2	131.2	134.5	138.9	138.2	
State and local	191.6	214.5	232.2	210.9	218.6	223.4	225.5	230.9	235.0	237.4	240.3	

1972 \$ Bil. (Quarterly data seasonally adjusted at annual rates)

Gross national product	1,214.0	1,191.7	1,264.7	1,177.1	1,209.3	1,219.2	1,246.3	1,260.0	1,272.2	1,280.4	1,302.0	
Personal consumption expenditures	759.1	770.3	813.7	767.5	775.3	783.9	800.7	808.6	815.7	829.7	843.8	
Durable goods	112.3	111.9	125.8	108.4	115.1	118.0	124.3	125.2	126.2	127.6	134.9	
Non durable goods	303.5	306.1	319.3	307.2	306.8	309.5	314.6	317.6	318.9	325.9	326.8	
Clothing and shoes	58.9	61.3	63.9	61.0	62.1	63.4	63.3	62.6	63.8	66.0	65.0	
Food and beverages	147.5	150.5	158.3	151.2	150.4	151.9	155.3	157.7	158.6	161.5	162.9	
Services	343.4	352.4	368.6	351.8	353.4	356.4	361.8	365.8	370.6	376.2	382.1	
Gross private domestic investment	182.0	137.8	170.9	126.2	148.7	147.0	167.1	171.7	175.2	169.8	183.1	
Fixed investment	173.5	149.8	162.8	147.4	149.7	152.5	156.7	160.6	165.0	169.0	173.9	
Nonresidential	128.5	111.4	115.7	110.6	110.1	110.5	112.6	114.9	117.5	117.9	122.3	
Residential	45.0	38.4	47.1	36.8	39.6	41.9	44.1	45.7	47.4	51.1	51.6	
Change in business inventories	8.5	-12.0	8.1	-21.2	-1.0	-5.5	10.4	11.1	10.2	.9	9.2	
Net exports of goods and services	16.5	22.6	16.0	24.3	22.8	23.1	16.6	16.0	15.7	15.5	12.6	
Exports	97.2	90.6	96.1	87.7	90.7	93.9	93.6	95.4	98.0	97.4	98.2	
Imports	80.7	68.1	80.1	63.4	67.9	70.8	77.0	79.4	82.3	81.8	85.6	
Government purchases of goods and services	256.4	261.0	264.1	259.1	262.4	265.2	261.9	263.6	265.5	265.3	262.4	
Federal	95.3	95.7	96.7	95.3	96.7	97.2	95.4	96.0	97.3	98.1	96.4	
State and local	161.1	165.2	167.4	163.8	166.9	168.0	166.6	167.7	168.2	167.3	166.0	

New plant and equipment expenditures (\$ bil.)	112.40	112.78	120.49	112.46	112.16	111.80	114.72	118.12	122.55	125.22	130.16	
Implicit price deflator for GNP (1972=100)	116.41	127.25	133.75	125.93	128.07	130.27	131.29	132.96	134.40	136.30	138.19	
Disposable income (\$bil.)	982.9	1,080.9	1,181.7	1,088.2	1,091.5	1,119.9	1,147.6	1,172.5	1,190.2	1,216.5	1,245.8	
Disposable income (1972 \$bil.)	840.8	855.5	890.5	869.7	857.1	867.5	880.4	890.5	892.0	899.6	907.0	
Per capita disposable income (\$)	4,639	5,062	5,493	5,102	5,105	5,227	5,347	5,455	5,526	5,637	5,763	
Per capita disposable income (1972 \$)	3,968	4,007	4,140	4,078	4,009	4,049	4,103	4,143	4,142	4,168	4,195	
U.S. population, tot. incl. military abroad (mil.)	211.9	213.5	215.1	213.3	213.8	214.2	214.6	214.9	215.4	215.8	216.2	
Civilian population (mil.)	209.7	211.4	213.0	211.1	211.6	212.1	212.5	212.8	213.2	213.7	214.1	

See footnotes at end of next table.

Selected monthly indicators

Items	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Monthly data seasonally adjusted except as noted										
Industrial production, total ² (1967=100)	129.3	117.8	129.8	129.6	133.1	132.1	133.2	135.2	136.3p	137.8p
Manufacturing (1967=100)	129.4	116.3	129.4	129.6	132.8	131.5	132.9	135.0	136.2p	137.9p
Durable (1967=100)	125.7	109.3	121.4	121.7	125.2	123.0	124.0	126.8	128.3p	130.3p
Nondurable (1967=100)	134.6	126.4	141.0	140.9	143.7	143.7	145.7	146.8	147.5p	148.9p
Leading economic indicators ³ (1967=100)	122.0	114.1	124.8	124.5	128.1	126.5	127.6	130.2	130.8	130.6p
Employment ⁴ (Mil. persons)	85.9	84.8	87.5	87.6	88.4	88.6	89.0	89.5	90.0	90.4
Unemployment rate ⁴ (%)	5.6	8.5	7.7	7.3	7.8	7.3	7.5	7.3	7.0	6.9
Personal income ⁵ (\$bil. annual rate)	1,153.3	1,249.7	1,375.3	1,362.9	1,439.5	1,441.3	1,464.2	1,486.5	1,497.7	1,507.2p
Hourly earnings in manufacturing ⁴ (\$)	4.41	4.81	5.19	5.12	5.42	5.46	5.43	5.48	5.52p	5.57p
Money stock (daily average) ⁶ (\$bil.)	*283.1	*294.8	*312.8	303.5	312.8	314.3	314.5	316.1	321.3	321.6p
Time and savings deposits (daily average) ⁷ (\$bil.)	*418.3	*451.7	*489.8	460.7	489.8	493.8	497.8	500.2	502.7	505.9p
Three-month Treasury bill rate ⁸ (%)	7.886	5.838	4.989	5.185	4.354	4.597	4.662	4.613	4.540	4.942
Aaa corporate bond yield (Moody's) ⁹ (%)	8.57	8.83	8.43	8.58	7.98	7.96	8.04	8.10	8.04	8.05
Interest rate on new home mortgages ¹⁰ (%)	8.92	9.01	8.99	8.97	9.10	9.05	8.99	8.95	8.94	8.96p
Housing starts, private (including farm) (thous.)	1,337.7	1,160.4	1,537.5	1,435	1,889	1,384	1,802	2,089	1,899p	1,929p
Auto sales at retail, total ¹¹ (mil.)	8.9	8.6	10.1	10.2	11.0	10.5	10.8	12.6	11.7	11.7p
Business sales, total ¹ (\$bil.)	166.8	172.5	192.7	190.4	204.4	202.1	207.6	214.8	213.9p	—
Business inventories, total ¹ (\$bil.)	278.4	275.5	299.1	285.7	299.1	302.0	304.0	307.3	310.3p	—
Sales of all retail stores (\$bil.) ¹²	44.8	48.7	54.3	52.9	57.9	56.7	58.2	59.5	59.6	60.0p
Durable goods stores (\$bil.)	13.9	15.1	17.8	17.4	19.7	19.0	19.8	20.7	20.3p	20.4p
Nondurable goods stores (\$bil.)	30.9	33.6	36.5	35.4	38.2	37.6	38.4	38.8	39.2p	39.6p
Food stores (\$bil.)	9.9	11.0	11.7	11.6	12.2	11.9	12.2	12.4	12.6p	12.8p
Eating and drinking places (\$bil.)	3.5	4.0	4.4	4.4	4.5	4.5	4.7	4.8	4.8p	4.7p
Apparel and accessory stores (\$bil.)	2.1	2.2	2.4	2.3	2.5	2.4	2.5	2.4	2.4p	2.4p

¹ Department of Commerce. ² Board of Governors of the Federal Reserve System. ³ Composite index of 12 leading indicators. ⁴ Department of Labor, Bureau of Labor Statistics. ⁵ Not seasonally adjusted. ⁶ December of year listed. ⁷ Moody's Investors Service. ⁸ Federal Home Loan Bank Board. ⁹ Adjusted for seasonal variations, holidays, and trading day differences. p. Preliminary.

U.S. Agricultural Trade

Prices of principal U.S. agricultural trade products

Items	Annual			1976		1977				
	1974	1975	1976	May	Dec	Jan	Feb	Mar	Apr	May
Export commodities:										
Wheat, f.o.b. Gulf ports (\$/bu.)	4.54	4.16	3.65	3.87	2.93	2.97	3.04	2.97	2.78	2.65
Corn, f.o.b. Gulf ports (\$/bu.)	3.36	3.10	2.91	3.04	2.67	2.86	2.93	2.78	2.73	2.64
Grain sorghum, f.o.b. Gulf ports (\$/bu.)	3.08	2.95	2.73	2.79	2.51	2.58	2.63	2.53	2.44	2.38
Soybeans, f.o.b. Gulf ports (\$/bu.)	6.42	5.72	6.07	5.52	7.09	7.36	7.80	8.65	10.03	9.84
Soybean oil, Decatur (cts./lb.)	35.80	25.39	18.05	15.77	20.95	20.86	21.34	26.46	29.60	31.27
Soybean meal, Decatur (\$/ton)	140.85	124.05	155.82	152.25	197.60	207.00	211.00	226.20	275.60	258.25
Cotton, 10 market avg. spot (cts./lb.)	54.88	44.70	67.70	62.07	73.10	66.95	72.15	75.75	73.67	70.65
Tobacco, avg. price of auction (cts./lb.)	94.00	103.50	105.73	109.50	114.50	113.60	118.30	122.10	115.20	109.50
Rice, f.o.b. mill, Houston (\$/cwt.)	28.33	21.28	16.17	17.00	14.10	13.85	13.90	14.00	15.45	16.25
Inedible tallow, Chicago (cts./lb.)	15.25	12.04	13.27	12.94	12.97	13.40	13.87	14.56	15.59	16.75
Import commodities:										
Coffee, N.Y. spot (cts./lb.)	69.30	77.27	142.36	141.90	196.10	222.10	240.50	316.10	327.25	304.77
Sugar, N.Y. spot (cts./lb.)	29.50	22.47	13.31	15.97	10.22	10.95	11.06	11.67	12.57	11.34
Cow meat, f.o.b. port of entry (cts./lb.)	71.77	60.20	71.69	80.55	67.93	71.55	74.35	73.56	70.33	67.95
Rubber, N.Y. spot (cts./lb.)	39.40	30.60	39.59	40.70	40.22	40.82	41.11	41.48	40.87	40.17
Cocoa beans, N.Y. spot (cts./lb.)	98.30	74.90	109.60	96.30	155.40	175.90	193.10	205.80	188.90	196.30
Bananas, f.o.b. port of entry (\$/40-lb. box)	3.34	4.41	4.67	5.07	4.26	4.38	5.44	5.50	5.44	5.79
Canned Danish hams, ex-warehouse N.Y. (\$/lb.) . .	1.35	1.75	1.75	1.70	1.74	1.72	1.74	1.76	1.76	1.76
Quantity Indices										
Export (1967=100)	155	156	174	170	191	167	177	194	183	n.a.
Import (1967=100)	115	123	138	129	148	141	146	153	155	n.a.
Unit Value Indices										
Export (1967=100)	223	221	207	205	206	216	216	222	228	n.a.
Import (1967=100)	193	203	217	215	246	262	281	289	332	n.a.

n.a. not available.

U.S. agricultural exports

Selected commodities	October-April				April			
	1975/76		1976/77		1975/76		1976/77	
	Thou. units	\$ Thou.	Thou. units	\$ Thou.	Thou. units	\$ Thou.	Thou. units	\$ Thou.
Animals; live, ¹ excl. poultry	—	76,928	54,667	—	—	—	9,404	5,552
Meat and preps., excl. poultry (lb.)	464,545	545,791	339,677	349,291	74,372	80,982	49,983	51,158
Dairy products, excl. eggs	—	—	51,663	84,523	—	—	10,437	14,172
Poultry and poultry products	—	—	121,517	162,984	—	—	17,919	23,206
Grains and preparations	—	—	6,931,444	5,632,535	—	—	945,196	774,606
Wheat and wheat flour (bu.)	666,582	471,634	2,878,216	1,666,942	80,336	78,705	344,960	263,367
Rice, milled (lb.)	2,129,968	2,558,947	320,161	351,116	264,355	262,618	36,386	39,059
Feed grains (metric ton)	29,999	31,369	3,598,546	3,470,199	4,622	4,149	546,287	453,189
Other	—	—	134,521	144,278	—	—	17,563	18,991
Fruits, nuts, and preparations	—	—	527,412	576,766	—	—	71,556	74,832
Vegetables and preparations	—	—	355,807	447,045	—	—	64,458	59,247
Sugar and preps., incl. honey (lb.)	297,789	306,427	53,885	40,149	34,130	37,972	5,491	6,559
Coffee, tea, cocoa, spices, etc. (lb.)	55,688	52,107	54,952	70,501	6,861	7,125	7,762	11,424
Feeds and fodders	—	—	693,272	982,340	—	—	132,894	161,147
Protein meal (short ton)	3,257	3,185	491,646	611,246	660	429	100,844	96,440
Beverages, excl. distilled alcoholic (gal.)	3,826	6,742	7,752	13,105	752	1,223	1,313	2,473
Tobacco, unmanufactured (lb.)	434,167	402,486	672,485	664,503	46,223	32,690	72,769	50,972
Hides, skins, and furskins	—	—	370,095	522,477	—	—	63,587	70,039
Oilseeds	—	—	2,185,716	3,217,862	—	—	269,332	544,998
Soybeans (bu.)	380,614	410,421	2,027,131	3,013,442	50,524	57,042	256,611	518,377
Wool, unmanufactured (lb. grease basis)	6,134	3,793	121,672	12,802	1,350	738	4,204	2,558
Cotton, unmanufactured (running bale)	1,781	2,933	454,703	997,287	318	566	82,891	190,318
Fats, oils, and greases (lb.)	1,298,236	1,772,531	234,032	314,759	233,165	291,475	40,985	53,903
Vegetable oils and waxes (lb.)	1,159,392	1,549,538	306,991	411,267	160,571	216,701	42,014	63,210
Rubber and allied gums (lb.)	24,570	24,650	12,600	13,343	4,015	3,065	1,983	1,641
Other	—	—	266,662	339,419	—	—	38,866	46,852
Total	—	—	13,732,265	14,907,625	—	—	1,933,044	2,208,867

U.S. agricultural exports by regions

Region ¹	October-April				April				Change from year-earlier	
	1975/76		1976/77		1976		1977		Oct-Apr 1976/77	Apr 1977
	\$ Mil.				\$ Mil.				Pct.	Pct.
Western Europe	4,606	5,873	625	788	+28	+26				
Enlarged European Community	3,635	4,782	461	645	+32	+40				
Other Western Europe	971	1,091	163	144	+12	-12				
Eastern Europe and USSR	1,806	1,272	271	231	-30	-15				
USSR	1,337	848	164	184	-37	+12				
Eastern Europe	469	424	107	48	-10	-55				
Asia	4,289	4,807	591	667	+12	+13				
West Asia	463	590	69	76	+27	+10				
South Asia	713	365	78	40	-49	-49				
Southeast Asia, ex. Japan and PRC	1,130	1,388	170	232	+23	+36				
Japan	1,981	2,463	274	318	+24	+16				
Peoples Republic of China	2	—	—	—	—	—				
Latin America	1,328	1,058	187	184	-20	-2				
Canada, excluding transshipments	802	937	115	156	+17	+36				
Canadian transshipments	257	169	45	45	-34	—				
Africa	575	709	91	129	+23	+42				
North Africa	362	418	55	83	+15	+51				
Other Africa	212	291	36	46	+37	+28				
Oceania	69	82	8	9	+19	+13				
Total ²	13,732	14,908	1,933	2,209	+9	+14				

¹ Not adjusted for transshipments. ² Totals may not add due to rounding.

U.S. agricultural imports

Selected commodities	October-April				April			
	1975/76	1976/77	1975/76	1976/77	1976	1977	1976	1977
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals live, excl. poultry	—	—	132,616	153,272	—	—	15,786	14,181
Meat and preps., excl. poultry (lb.)	1,037,897	970,265	794,244	746,417	158,279	146,787	120,625	114,783
Beef and veal (lb.)	806,163	758,891	466,342	466,457	126,293	113,002	77,902	72,698
Pork (lb.)	199,652	183,058	303,715	255,976	27,252	28,645	39,316	38,080
Dairy products, excl. eggs	—	—	157,641	181,926	—	—	16,301	20,182
Poultry and poultry products	—	—	18,891	37,719	—	—	2,975	7,337
Grains and preparations	—	—	98,780	90,582	—	—	11,702	13,700
Wheat and flour (bu.)	25	469	142	1,383	2	450	13	1,193
Rice (lb.)	2,377	2,410	600	453	75	323	29	52
Feed grains (metric ton)	168	113	29,001	21,016	14	24	2,704	7,407
Other	—	—	69,037	67,730	—	—	8,956	5,048
Fruits, nuts, and preparations	—	—	388,000	489,755	—	—	68,054	85,065
Bananas (lb.)	2,599,045	2,656,878	146,775	177,331	410,998	375,602	24,607	24,653
Vegetables and preparations	—	—	268,854	373,096	—	—	41,923	97,687
Sugar and preps., incl. honey	—	—	803,531	602,159	—	—	141,755	104,227
Sugar, cane or beet (short ton)	2,207	2,653	686,449	493,675	429	438	123,270	85,176
Coffee, tea, cocoa, spices, etc. (lb.)	2,432,808	2,365,180	1,706,007	3,441,754	328,376	363,387	260,213	687,235
Coffee, green (lb.)	1,590,721	1,571,958	1,136,991	2,587,651	216,446	241,289	179,961	519,010
Cocoa beans (lb.)	390,800	276,658	229,754	259,513	50,066	36,140	30,276	41,596
Feeds and fodders	—	—	31,191	42,148	—	—	4,182	4,941
Protein meal (short ton)	18	14	2,315	1,794	1	1	40	187
Beverages, excl. distilled alcoholic (gal.)	65,654	79,360	234,433	285,057	9,674	12,034	33,578	41,374
Tobacco, unmanufactured (lb.)	184,744	185,038	150,618	186,761	23,653	37,203	20,661	34,220
Hides, skins, and furskins	—	—	124,826	121,167	—	—	22,649	23,559
Oilseeds	—	—	35,508	55,724	—	—	5,226	7,685
Soybeans (lb.)	7	122	3	11	0	6	0	1
Wool, unmanufactured (lb. grease basis)	51,187	42,737	49,265	50,260	8,253	6,533	8,513	8,329
Cotton, unmanufactured (running bale)	73	57	17,420	12,027	11	4	2,768	485
Fats, oils, and greases (lb.)	15,594	13,103	3,750	2,697	2,135	1,831	490	450
Vegetable oils and waxes (lb.)	1,680,033	1,395,953	301,606	306,577	198,599	141,448	34,187	36,341
Rubber and allied gums (lb.)	1,020,267	1,014,292	274,719	363,903	156,564	162,206	47,076	58,459
Other	—	—	251,976	306,452	—	—	37,022	43,707
Total	—	—	5,843,876	7,849,453	—	—	895,686	1,403,947

Trade balance

Items	October-April				April			
	1975/76	1976/77	1976	1977	\$ Mill.			
Agricultural exports ¹	13,732	14,908	1,932	2,209				
Nonagricultural exports ²	51,844	55,614	7,895	8,332				
Total exports ³	65,676	70,522	9,827	10,541				
Agricultural imports ³	5,844	7,849	896	1,404				
Nonagricultural imports ⁴	57,201	72,728	9,102	11,114				
Total imports ⁴	63,045	80,577	9,998	12,518				
Agricultural trade balance	7,888	7,059	1,036	805				
Nonagricultural trade balance	-5,257	-17,114	-1,207	-2,782				
Total trade balance	2,631	-10,055	-171	-1,977				

¹ Domestic exports including Department of Defense shipments, (F.A.S. value). ² Domestic and foreign exports excluding Department of Defense shipments, (F.A.S. value). ³ Imports for consumption (customs value). ⁴ General imports, (customs value).

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